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Financial reports and audited financial statements, and reports of the Board of Auditors: United Nations and capital master plan

Implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2016 on the United Nations and on the capital master plan

Report of the Secretary-General

Summary

The present report provides information in response to the recommendations of the Board of Auditors as contained in its reports for the year ended 31 December 2016 on the United Nations (A/72/5 (Vol. I), chap. II) and on the capital master plan (A/72/5 (Vol. V)). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly at the same time as the Board of Auditors submitted its recommendations to the Assembly on measures taken or to be taken to implement those recommendations.

The Administration has accepted all of the Board's recommendations. The present report provides the Administration's comments as well as information on the status of implementation, the department responsible, the estimated completion date and the priority of each recommendation contained in the reports of the Board. In addition, the present report contains updated information on the status of implementation of the recommendations of the Board for prior periods that were reported by the Board as not having been fully implemented in the annexes to its reports.

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I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the reports of the Board were submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its reports for the year ended 31 December 2016 on the United Nations (A/72/5 (Vol. I), chap. II) and on the capital master plan (A/72/5 (Vol. V)).

2. In the preparation of the present report, account was taken of the provisions of the following documents:

(a) Resolution 48/216 B, in particular its paragraph 8, in which the Assembly requested the Secretary-General to draw attention in his reports to the recommendations of the Board that would require action by the Assembly;

(b) Resolution 52/212 B, in particular its paragraphs 3 to 5, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(c) Resolution 71/261 A, in particular its paragraph 8, in which the Assembly reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee on Administrative and Budgetary Questions in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board; its paragraph 9, in which the Assembly reiterated its request to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that were two or more years old; and its paragraph 10, in which the Assembly also reiterated its request to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board, as well as the priorities for their implementation and the office holders to be held accountable.

3. With regard to prioritization, it is noted that the Board categorizes the most important recommendations as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, the main recommendations will be considered to be of high priority.

4. The Administration has concurred with all of the Board's recommendations, and comments are provided on all of them. In accordance with paragraph 9 of resolution 71/261 A, additional information has been provided on all recommendations for prior financial periods that the Board considered not to have been fully implemented.

5. Section II below contains the information requested by the General Assembly on the implementation of the recommendations contained in the reports of the Board of Auditors on the United Nations. Section II.A provides information on the implementation of the recommendations contained in the Board's report for the year ended 31 December 2016, and section II.B provides information on the implementation of the recommendations contained in the Board's reports for prior financial periods that the Board considered not to have been fully implemented.

6. Section III below contains the information requested by the General Assembly on the implementation of the recommendations contained in the reports of the Board of Auditors on the capital master plan. Section III.A provides information on the implementation of the recommendations contained in the Board's report for the year ended 31 December 2016, and section III.B provides information on the implementation of the recommendations contained in the Board's reports for prior financial periods that the Board considered not to have been fully implemented.

II. United Nations

A. Implementation of the recommendations contained in the report of the Board of Auditors on the United Nations for the year ended 31 December 2016[1]

Overview

7. Tables 1 and 2 summarize the status of implementation of recommendations as of August 2017.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Implemented closure requested*	*Not implemented*	*In progress*	*Target date set*	*No target date*
Department of Economic and Social Affairs	1	–	–	1	1	–
Department of Management	9	2	–	7	7	–
Department of Management and Office of Legal Affairs	1	–	1	–	1	–
Department of Political Affairs	1	–	–	1	1	–
Department of Political Affairs and Department of Field Support	1	1	–	–	–	–
Office for the Coordination of Humanitarian Affairs	1	–	–	1	1	–
Office of Internal Oversight Services	1	1	–	–	–	–
United Nations Office at Geneva	1	–	–	1	1	–
Total	**16**	**4**	**1**	**11**	**12**	
Percentage	**100**	**25**	**6**	**69**		

8. Table 1 summarizes the status of the 16 main recommendations of the Board, of which 4 (25 per cent) either have been implemented or have been the object of a request for their closure, 1 (6 per cent) has not been implemented and 11 (69 per cent) are in progress. Of the 12 main recommendations that either are in progress or have not been implemented, 3 are scheduled to be implemented in 2017, 6 in 2018 and the other 3 in 2019.

9. Table 2 summarizes the status of all 62 recommendations of the Board, of which 15 (24 per cent) either have been implemented or have been the object of a request for their closure, 4 (7 per cent) have not been implemented and 43 (69 per cent) are in progress. Of the 47 recommendations that either are in progress or have

[1] A/72/5 (Vol. I), chap. II.

not been implemented, 9 are scheduled to be implemented in 2017, 26 in 2018 and 10 in 2019, and 2 are of an ongoing nature.

Table 2
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Implemented closure requested*	*Not implemented*	*In progress*	*Target date set*	*No target date*
Department of Economic and Social Affairs	2	–	–	2	2	–
Department of Management	31	8	2	21	23	–
Department of Management and Department of Field Support	2	1	–	1	–	1
Department of Management and Office of Legal Affairs	2	–	1	1	1	1
Department of Political Affairs	3	–	–	3	3	–
Department of Political Affairs and Department of Field Support	4	4	–	–	–	–
Department of Political Affairs and Department of Management	1	–	–	1	1	–
Office for the Coordination of Humanitarian Affairs	5	–	–	5	5	–
Office of Internal Oversight Services	1	1	–	–	–	–
United Nations Office at Geneva	6	–	–	6	6	–
United Nations Office at Geneva and Department of Management	1	–	1	–	1	–
United Nations Office at Geneva and Office of Legal Affairs	3	1	–	2	2	–
United Nations Office at Nairobi	1	–	–	1	1	–
Total	**62**	**15**	**4**	**43**	**45**	**2**
Percentage	**100**	**24**	**7**	**69**		

Detailed information on implementation status

10. **In paragraph 11 of its report, to ensure the timely preparation of high-quality financial statements for the year ending 31 December 2017, the Board recommended that the Administration bring all business operations, especially those that had an impact on the financial statements, within the ambit of Umoja and eliminate all avoidable manual adjustments and interventions.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Second quarter of 2018

11. Discussions are under way between the Office of Programme Planning, Budget and Accounts and the entities concerned. The full implementation of this recommendation is planned for the fourth quarter of 2017, except with regard to the International Court of Justice, for which discussions on Umoja conversion are continuing.

12. **In paragraph 22 of its report, the Board recommended that the Administration review the methodology for the preparation of the first performance report to include consideration of actual expenditures so as to strengthen monitoring of the budgeting process and to make the information presented in statement V in the financial statements more expedient for decision-making.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

13. The Administration's comments are reflected in paragraph 23 of the Board's report, and the Administration requests that the Board close this recommendation.

14. **In paragraph 31 of its report, the Board reiterated its recommendation that the Administration improve scrutiny of open commitments at year-end by providing more guidance on identification and retention of open commitments.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

15. The Office of Programme Planning, Budget and Accounts will continue to provide detailed guidance on the retention of open commitments in its year-end financial instructions to all entities concerned.

16. **In paragraph 32 of its report, the Board further reiterated that the Administration should review open commitments during the year, in particular at year-end, to challenge any commitments that appeared to be retained unnecessarily.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2018

17. The Office of Programme Planning, Budget and Accounts will continue to strengthen the monitoring and scrutiny of open commitments at year-end, in line with the Board's recommendation. More detailed guidance will be provided to entities on reviewing open commitments and the need to retain commitments in the context of the second performance report for the biennium 2016-2017 and for the 2017 year-end closure.

18. **In paragraph 33 of its report, the Board further recommended that commitments that remained unutilized after the lapse of the prescribed 12-month period be provided for in the financial statements pertaining to the first year of the following biennium, so as to avoid delays in the surrender of unutilized funds to the Member States.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2018

19. The Office of Programme Planning, Budget and Accounts is in the process of implementing this recommendation in the context of the ongoing preparation of the 2017 financial statements.

20. **In paragraph 41 of its report, the Board recommended that the Administration review and appropriately strengthen the system of asset capitalization in view of the inaccuracies noticed. The Board further recommended that internal controls in connection with the disposal of assets be strengthened, necessary rectifications be carried out and ad hoc adjustments be eliminated.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

21. The Administration is making efforts to strengthen the internal control systems relating to the processing of asset derecognition and asset disposal transactions. The Office of Central Support Services continues to review systemic issues with property management and is working on updated and enhanced policies on property survey boards, delegations of authority and guidance notes on property management and property survey.

22. **In paragraph 46 of its report, the Board recommended that the Administration expeditiously carry out a regular review of the residual value of assets in general and its fully depreciated assets that were still in use in particular, and appropriately assign useful lives and residual values to correct the ad hoc practices presently followed in this regard.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

23. The Administration acknowledges the importance and the necessity of reviewing the useful lives and residual values of assets in general, and of fully depreciated assets still in use in particular, and plans to perform the review in the period 2017–2018. Since the approach recommended by the Board would result in an increase in the workload for property and fixed asset management resources, the Administration will submit a report on strengthening property management in the Secretariat to the General Assembly for consideration at its seventy-second session.

24. **In paragraph 55 of its report, the Board recommended that the Administration migrate assets in all legacy systems, including Galileo, into**

Umoja on a priority basis to eliminate manual entries and adjustments and strengthen internal controls, and adopt a uniform International Public Sector Accounting Standards (IPSAS)-compliant basis for measurement of all assets (including real estate assets).

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

25. The Administration has already commenced the process of decommissioning the Galileo system and is committed to conducting a feasibility assessment with regard to migrating assets maintained in other legacy systems to Umoja. The asset migration from the Galileo system is projected to be completed in the fourth quarter of 2017.

26. **In paragraph 56 of its report, the Board recommended that the Administration phase out the standard cost methodology and align its accounting with IPSAS requirements of valuing property, plant and equipment assets.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

27. The Administration provided to the Board memorandums containing analysis on standard costs that were used as a basis for the deployment of the standard cost methodology for the adoption of IPSAS and the design of the Umoja system. The approach was discussed with and accepted by the previous Board of Auditors teams (from China and the United Kingdom of Great Britain and Northern Ireland). The Administration requests that the Board review the information provided and consider closing this recommendation.

28. **In paragraph 64 of its report, the Board recommended that the Administration review its procedures for providing census data to the actuary and evolve a more reliable mechanism for collecting details of all active staff and retirees from all locations and then consolidating them for onward transmission to the actuary so as to obviate the risk of incorrect valuation of employee benefits liabilities due to incomplete data.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

29. The Office of Programme Planning, Budget and Accounts is working with the technical teams of Umoja and the Office of Information and Communications Technology in developing a mechanism for extracting data from Umoja, which is

the single source of data for all active staff across the Secretariat. The Office is also working to put in place additional controls to ensure timeliness in the receipt of census data as well as accuracy and consistency of data in respect of retired local staff enrolled in the after-service health insurance scheme.

30. **In paragraph 71 of its report, the Board recommended that the Administration follow a rigorous policy of reviewing the individual voluntary contribution agreements of donors on a case-by-case basis and reiterated that it should: (a) recognize in assets the inflow of resources from binding agreements when it was probable that the future economic benefits would flow to the United Nations and the fair value could be reliably measured; (b) separately recognize in liabilities an outflow of resources when conditions existed requiring the contribution to be consumed as specified or be returned to the donor; and (c) recognize the inflow of resources as revenue except to the extent that a liability had been recognized for the same inflow.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

31. The Administration notes that "substance over form" is the prevailing principle in accounting standards. A detailed analysis was performed by the IPSAS team confirming that the only agreements that involved cases of the return of funds due to non-performance or partial performance were related to the Financial and Administrative Framework Agreement between the United Nations and the European Commission. The Administration continues to monitor the performance of agreements (other than the Financial and Administrative Framework Agreement), and so far no cases that meet the criteria of conditionality have been identified. Extensive analysis of revenue arrangements and conclusions regarding those meeting conditionality were previously shared with the Board of Auditors (United Kingdom) team and were accepted. These were embedded into the United Nations Policy Framework for International Public Sector Accounting Standards. No changes in the substance of the arrangements or in the experience with donors have occurred since the adoption of IPSAS. The Administration therefore requests that the Board close this recommendation.

32. **In paragraph 75 of its report, the Board recommended that the Administration recognize multi-year contributions at net present value using appropriate discount rates to reflect their fair value.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

33. As noted in paragraph 76 of the Board's report, the Administration has already recognized multi-year contributions at net present value using the Federal Reserve treasury rates to reflect the fair value of the long-term receivables and adjusted the 2016 financial statements and made a corresponding disclosure in the notes to the financial statements accordingly.

34. **In paragraph 81 of its report, the Board recommended that the Administration follow a policy of reviewing agreements with implementing partners, particularly in cases of downstream transfers of conditional grants to the implementing partners, to ensure that the Administration retained control of the asset transferred and recognized such transfers appropriately in line with IPSAS provisions.**

Department responsible:	Department of Management
Status:	Not implemented
Priority:	Medium
Target date:	Fourth quarter of 2018

35. The Office of Programme Planning, Budget and Accounts will work with the Office of Legal Affairs to determine whether it is appropriate to implement the recommendation and how to increase clarity with respect to the assets transferred to implementing partners in the forthcoming template agreement with implementing partners, in compliance with IPSAS policy.

36. **In paragraph 91 of its report, the Board recommended that the Administration work towards merging the financial results of trust funds which financed operations and activities pertaining to a specific reporting entity into the financial statements of that reporting entity. In the interim, pending such transition, a suitable disclosure might be provided in the United Nations volume I financial statements.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

37. The Administration included a suitable disclosure in the 2016 financial statements and does not agree with the recommendation, noting that the mandate of special political missions is to maintain peace and security in post-conflict or conflict prevention zones and that there is no military personnel presence at such missions. In addition, under the current financing arrangements, as decided by the General Assembly, special political missions are funded under the regular budget. Like other entities under the regular budget, such missions fall under consolidated regular budget financing and revenue and are reported in the context of United Nations volume I. They are financed by the regular budget scale of assessments, not by the peacekeeping scale of assessments. Unlike the peacekeeping missions reported in United Nations volume II, special political missions do not have separate individual financing arrangements, appropriations or revenue. By virtue of being funded by the regular budget, they have a reporting cycle different from that of peacekeeping missions.

38. **In paragraph 98 of its report, the Board recommended that the Administration clarify the role of the United Nations Office at Geneva in accounting and submission of financial reporting data for entities that were part of volume I and for those entities for which the Office served only as a service provider. The Board suggested that the Administration create clear structures and responsibilities and formally document them.**

Departments responsible:	United Nations Office at Geneva and Department of Management
Status:	Not implemented
Priority:	Medium
Target date:	First quarter of 2018

39. The 2017 closing instructions from the Office of Programme Planning, Budget and Accounts will clarify for which financial reporting objects the various entities, including the United Nations Office at Geneva, are responsible.

40. **In paragraph 115 of its report, the Board recommended that the Administration continue to closely review and monitor the development of the measurement methodology for indicators of the Sustainable Development Goals to ensure timely completion of the work.**

Department responsible:	Department of Economic and Social Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2019

41. The Administration will provide updated information on tier III indicators after the sixth meeting of the Inter-Agency and Expert Group on Sustainable Development Goal Indicators, to be held in November 2017.

42. **In paragraph 121 of its report, the Board recommended that the Administration devise a mechanism to suitably support and coordinate follow-up action on the outcomes of and needs expressed by Member States during the voluntary national review process.**

Department responsible:	Department of Economic and Social Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

43. The Department of Economic and Social Affairs has established an Advisory Group on Capacity Development, which will, under the guidance of the Capacity Development Office, serve as a mechanism for responding to requests from Member States for capacity development support through various sources, including the voluntary national reviews. The Advisory Group will assess requests on the basis of the Department's comparative advantage vis-à-vis other United Nations and non-United Nations development actors. The Department seeks to partner as much as possible with other development actors to fulfil its capacity development mandate, guided by the overall understanding, embedded in the 2030 Agenda for Sustainable Development, that no individual entity or actor can alone address the challenges of sustainable development.

44. **In paragraph 139 of its report, the Board recommended that a system of centralized data collection and reporting of geographical move figures through Umoja be devised, including for segregating long-term and short-term**

assignments, so that long-term mobility patterns and short-term moves were identified.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

45. The Office of Human Resources Management has established a working group that has begun its review of geographical move cost reporting.

46. **In paragraph 153 of its report, the Board reiterated that the Administration should monitor the implementation of the Secretary-General's bulletin on employment and accessibility for staff members with disabilities in the United Nations Secretariat. Furthermore, the Board recommended that the Secretariat take steps to expedite the process of appointing the focal point for better monitoring of compliance with the policy.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

47. The review of the implementation of the United Nations policy on employment and accessibility for staff members with disabilities (promulgated in ST/SGB/2014/3) took place in 2016 in the context of the preparation of a comprehensive report on the status of the inclusion of and accessibility for persons with disabilities at the United Nations, pursuant to General Assembly resolution 70/170. During that exercise, the United Nations Interdepartmental Task Force on Accessibility established a working group that collected and analysed feedback from Secretariat entities, United Nations system organizations, staff federations, civil society organizations and Member States on accessibility issues as they relate to human resources, physical facilities on United Nations premises, conference services and facilities, information and documentation, options for improving accessibility, and best practices. As a result of the review, a report of the Secretary-General (A/71/344 and Corr.1) that provided recommendations for next steps towards making the United Nations premises more inclusive and accessible was submitted to the Assembly for its consideration at the main part of its seventy-first session. While the review produced much useful information on the practical aspects of the implementation of the policy, the careful analysis of the stakeholders' feedback proved that no changes in the text of ST/SGB/2014/3 were needed at that time. In addition, the Secretary-General recently appointed a focal point for the Secretariat to ensure better monitoring of compliance with the policy.

48. **In paragraph 160 of its report, the Board recommended that the Office of Human Resources Management make it mandatory that, in all cases of manually reviewed points, relevant documents be provided in the Inspira system for processing the cases.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

49. All cases are now processed in Inspira, and the relevant documentation is available within the system.

50. **In paragraph 169 of its report, the Board recommended that the Office of Human Resources Management develop and maintain a database and establish a process for logically mapping the mobility population against posts, required skill sets and preferences.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2019

51. The Administration's comments are reflected in paragraphs 168 and 170 of the Board's report. The Office of Human Resources Management wishes to further clarify that in the second biannual exercise, out of the 241 staff members, only 164 were from the Political, Peace and Humanitarian Network and the other 77 were from other job networks and therefore were ineligible for the mobility exercise.

52. **In paragraph 182 of its report, the Board recommended that, in keeping with General Assembly resolutions, the Office of Human Resources Management, in coordination with other stakeholders, consider taking appropriate steps to finalize the administrative instruction on disciplinary issues as a matter of priority. The administrative instruction should also include timelines for the completion of disciplinary cases.**

Departments responsible:	Department of Management and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	Ongoing

53. A draft administrative instruction has been approved by the Staff-Management Committee and is currently under consultation with the Office of Legal Affairs.

54. **In paragraph 192 of its report, the Board recommended that the Administration consider necessary adjustments in the strategy to address work days lost owing to mental health disorders and expedite implementation of the occupational safety and health management framework to better align with the timelines recommended by the High-level Committee on Management in March 2015.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

55. The draft mental health strategy has been broadly disseminated for consultation. A revised occupational safety and health management framework has been developed and is being implemented.

56. **In paragraph 198 of its report, the Board recommended that the Office of Human Resources Management expeditiously take appropriate measures to ensure collection of the required statistics pertaining to medical evacuation cases.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

57. The EarthMed medical evacuation module is being finalized and will allow for the full capture of non-financial data on medical evacuations. Discussions are also under way to assess the feasibility of extracting data on medical evacuation costs from Umoja.

58. **In paragraph 205 of its report, the Board recommended that the Administration expedite the process of defining and implementing the role of the Medical Services Division in technical supervision, oversight and enforcement of medical standards system-wide, based on the recommendations of the High-level Independent Panel on Peace Operations.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2018

59. The health-care standards project is progressing well, with a full suite of standards now having been developed, as well as an implementation guide and a toolkit. The Administration is soliciting funds for the roll-out of the project.

60. **In paragraph 211 of its report, the Board reiterated its previous recommendation that the Office of Human Resources Management strengthen its performance monitoring mechanisms, including re-establishing the Performance Review Group, to improve the performance of entities that had not achieved targets on staff recruitment timelines, representation of women in senior policy positions and completion of performance appraisals.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

61. The Office of Human Resources Management is in the process of re-establishing the Performance Review Group, as recommended by the Board.

62. **In paragraph 222 of its report, the Board recommended that the Administration define clear criteria for delegating procurement authority, including thresholds, to United Nations entities.**

Departments responsible:	Department of Management and Office of Legal Affairs
Status:	Not implemented
Priority:	High
Target date:	Second quarter of 2018

63. The Office of Central Support Services, in consultation with the Office of Legal Affairs, will define clear criteria for delegating procurement authority, including thresholds, to United Nations entities.

64. **In paragraph 223 of its report, the Board recommended that the Administration develop a template for delegation of procurement authority clearly outlining responsibilities and accountability, procedural details and training requirements, including for oversight. A revised and clear governance structure should be put in place enabling consultation with major stakeholders to ensure visibility of procurement actions and appropriate oversight.**

Department responsible:	Department of Management
Status:	Not implemented
Priority:	Medium
Target date:	Second quarter of 2018

65. The Office of Central Support Services will develop the template as recommended. It should be noted that the revised governance structure entails fundamental changes in terms of structure and reporting lines for procurement actions, which requires consultations with major stakeholders.

66. **In paragraph 229 of its report, the Board recommended that the Procurement Division determine how to assess modifications to the standard contract provisions and United Nations General Conditions of Contract during the technical and commercial evaluation taking into account the potential risk for the Organization and how to document this assessment.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

67. The Administration's comments are reflected in paragraphs 227 and 230 of the Board's report. In addition, the Office of Central Support Services will coordinate with the Office of Legal Affairs to formalize an assessment process for future instances of modifications to United Nations General Conditions of Contract.

68. **In paragraph 235 of its report, the Board recommended that the Administration review the temporary set-up of the interim data management teams, strengthen the process to assure that vendors were recorded only once and ensure the maintenance of master data.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

69. The Office of Central Support Services notes that the duplication of registrations was more evident in the past when data were migrated from the legacy system to Umoja. However, after the data-cleansing exercise, the number and the recurrence of duplications have decreased tremendously. The issue of duplication may still occur on occasion as the registration is initiated by vendors, and the Office can verify the information only during the evaluation process after it has been submitted by vendors. The Administration considers this recommendation to have been implemented and requests that the Board close it.

70. **In paragraph 240 of its report, the Board recommended that the Administration: (a) take stock of the transactional aspects of the procurement process in Umoja and the steps outside Umoja; and (b) review the approval processes in Umoja in the different entities under its authority and determine a way forward for all entities under its delegation of procurement authority.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2019

71. The Administration's comments are reflected in paragraph 239 of the Board's report.

72. **In paragraph 243 of its report, the Board recommended that the Administration improve visibility and performance measurement with regard to internal processes and external factors.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2019

73. The Administration's comments are reflected in paragraph 244 of the Board's report.

74. **In paragraph 253 of its report, the Board recommended that the Administration ensure that: (a) all country-based pooled funds adhered to the standards set out in the operational handbook for country-based pooled funds; and (b) a human resources review of the Humanitarian Financing Units was completed expeditiously to identify the criteria for determining the number and profile of staff required for optimally managing the country-based pooled funds.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2019

75. The Office for the Coordination of Humanitarian Affairs notes that substantial progress has been made in the implementation of the guidelines across all country-based pooled funds since their introduction in February 2015. The compliance of country-based pooled funds with the standards set out in the operational handbook is currently being monitored. A human resources review of the Humanitarian Financing Units will be conducted to ensure that country-based pooled funds are appropriately staffed.

76. **In paragraph 257 of its report, the Board recommended that delays in the disbursement of funds be reviewed by the Administration to ascertain the reasons therefor and address them.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2019

77. The Administration's comments are reflected in paragraph 256 of the Board's report. In addition, improvements have been made through continuous monitoring of the disbursement process and close coordination with Humanitarian Financing Units through the grant management system, which will be strengthened in the Funding Coordination Section with a fully staffed Finance Unit.

78. **In paragraph 264 of its report, the Board recommended that the Administration review the projects where timelines for the processing of**

projects had been exceeded and take steps to ensure that the projects were processed in accordance with the prescribed timelines.

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2019

79. The Office for the Coordination of Humanitarian Affairs is committed to improving the timelines for the processing of projects. The consistency in data-gathering in the grant management system for country-based pooled funds is being addressed through, inter alia, the implementation of the United Nations Development Programme guidelines for engagement of non-governmental organizations in country-based pooled funds.

80. **In paragraph 269 of its report, the Board recommended that the Administration monitor the timely submission of final financial statements and final narrative reports by the implementing partners and take delays into account when assessing the performance of the implementing partners.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2019

81. The Administration's comments are reflected in paragraph 268 of the Board's report. In addition, delays in reporting as well as the reasons for such delays will be taken into account by the Administration when it assesses the performance of partners under the newly introduced partner performance index.

82. **In paragraph 272 of its report, the Board recommended that the Administration ensure validity of the audit service long-term agreement in order to ensure that it did not expire before a new long-term agreement had been obtained so that the audit plan might be executed in a timely manner.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2019

83. The Office for the Coordination of Humanitarian Affairs is addressing this recommendation and has already made substantial progress towards putting in place a global long-term agreement for audit services.

84. **In paragraph 282 of its report, the Board recommended that the Administration closely monitor the progress of the fraud risk assessment to ensure timely achievement of the intended outcomes of the exercise.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2018

85. The Administration has been closely monitoring the progress of the fraud risk assessment and reporting on it to the Management Committee and the Independent Audit Advisory Committee. See also the Administration's comments below relating to the prior-period recommendation contained in paragraph 142 of the Board's report for the biennium ended 31 December 2013 (A/69/5 (Vol. I), chap. II).

86. **In paragraph 283 of its report, the Board further recommended that the Administration ensure issuance of clear and detailed criteria for determining high-risk and complex investigations.**

Department responsible:	Office of Internal Oversight Services
Status:	Closure requested
Priority:	High
Target date:	Not applicable

87. The Office of Internal Oversight Services (OIOS) noted that its intake process was sufficiently mature and consistent in its application to preclude any arbitrariness. The two-part subjective and objective test that is applied to all intake matters is sufficient to determine their complexity and risk. This process is detailed in the Office's standard operating procedure on intake. The Board is therefore requested to close this recommendation.

88. **In paragraph 293 of its report, the Board recommended that the Procurement Division, in coordination with the other stakeholders, review the process for purchasing standardized information and communications technology (ICT) commodities in order to strike a balance between the need for standardizing requirements and compliance with procurement principles. In particular, ICT hardware of low complexity and limited operability should be standardized. As a practice, the technical specifications should be standardized or the reasons for the non-feasibility of standardizing technical specifications should be analysed and documented.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2018

89. The Administration's comments are reflected in paragraph 294 of the Board's report. In addition, the existing technology standardization procedure for ICT assets will be reviewed to include the presence of the Procurement Division representative at the monthly meetings of the Architecture Review Board. The standardization case will also be evaluated by taking into account the commercial element of the total cost of ownership of ICT assets.

90. **In paragraph 297 of its report, the Board recommended that the Administration ensure that the purchases of ICT goods/services available in a systems contract or subject to United Nations standardization were done in accordance with the applicable rules.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

91. The standardization process is already following the applicable rules. The Office of Information and Communications Technology is working with the Procurement Division to ensure that all contacts with potential new vendors are initiated by the Division.

92. **In paragraph 308 of its report, the Board recommended that the Administration: (a) dispose of in a timely manner all assets which had been retired from use; and (b) institute proper mechanisms to ensure that all user departments submitted in a timely manner disposal cases for retired assets.**

Department responsible:	United Nations Office at Nairobi
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

93. The Property Management Unit of the United Nations Office at Nairobi is working with the Information and Communication Technology Service to dispose of the 83 items and will submit quarterly asset reports to the relevant departments with a list of all idle items for their review and disposal if necessary.

94. **In paragraph 315 of its report, the Board recommended that the Department of Political Affairs take the necessary steps to ensure adherence to the indicators of achievement and meet the targets set for timely conduct of electoral needs assessment.**

Department responsible:	Department of Political Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

95. The strategic framework for the biennium 2018-2019 has been amended to better reflect the process. The latest budget proposal has been submitted to the Advisory Committee on Administrative and Budgetary Questions for its review.

96. **In paragraph 320 of its report, the Board recommended that the Department of Political Affairs ensure quantifiable performance measures and prescribe outputs for all expected accomplishments.**

Department responsible:	Department of Political Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

97. The Administration's comments are reflected in paragraph 321 of the Board's report. In addition, as indicated above, the latest budget proposal has been submitted to the Advisory Committee on Administrative and Budgetary Questions for its review.

98. **In paragraph 324 of its report, the Board recommended that the budget formulation process be streamlined and based on more realistic assumptions, factoring in past trends.**

Departments responsible:	Department of Political Affairs and Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2018

99. The Administration's comments are reflected in paragraph 325 of the Board's report.

100. **In paragraph 328 of its report, the Board recommended that the United Nations Assistance Mission in Afghanistan (UNAMA) and the United Nations Assistance Mission for Iraq (UNAMI) prepare their training budgets on the basis of a training needs analysis and ensure that the training was properly followed up.**

Departments responsible:	Department of Field Support and Department of Political Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

101. UNAMA has implemented a vigorous review of its 2017 funding allocation, including the monitoring of all sections that are on or off track and the reprogramming of funds where sections are unable to complete training as planned. In addition, UNAMA conducted a comprehensive training needs assessment in the second quarter of 2017. Analysis of the assessment results has enabled UNAMA to determine the requirements for the training of staff and programme managers in support of its mandate and pursuant to sectional workplans. That information is being incorporated into the 2018 training plan and budgetary requirements for the Mission. Quarterly expenditure reports will be issued to programme managers to ensure that the allocated funds are utilized.

102. UNAMI conducted a comprehensive training needs assessment in May 2015, and the findings were taken into consideration in the preparation of the 2016 training plan and budget. A half-day workshop on the preparation and monitoring of

the training budget was held on 31 September 2016, followed by reviews with section chiefs. The Administration requests that the Board close this recommendation.

103. **In paragraph 334 of its report, the Board recommended that UNAMA realistically assess the requirement for air assets and ensure that the air assets contracted were in line with the budgeted requirements.**

Department responsible:	Department of Political Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

104. UNAMA acknowledged the need to reconfigure its air fleet composition in line with changes in operational requirements. The Mission reduced budgeted flight hours from 3,000 to 2,400 in 2017 and proposed a further reduction from 2,400 to 2,000 as from 1 January 2018. The Mission has already taken steps to reconfigure its air fleet through a reduction in the number of its air assets from six to four aircraft by September 2017, which is the end date of the current contracts for two aircraft. The resulting fleet of four aircraft will consist of two fixed-wing and two rotary-wing aircraft.

105. **In paragraph 346 of its report, the Board recommended that UNAMI strengthen its internal control mechanism over the management of weapons and ammunition.**

Departments responsible:	Department of Field Support and Department of Political Affairs
Status:	Implemented
Priority:	High
Target date:	Not applicable

106. UNAMI has strengthened internal controls to ensure physical accountability with respect to weapons and ammunition. The weapons were recorded in the Galileo inventory management system, and weapon custodians and deputies were appointed country-wide. In addition, daily and monthly physical counts of weapons and ammunition have been put in place, and access to and the security of the Mission's weapons armouries has been significantly enhanced.

107. **In paragraph 347 of its report, the Board further recommended that UNAMI consider adopting the International Ammunition Technical Guidelines on inventory management for ammunition and weapons.**

Departments responsible:	Department of Field Support and Department of Political Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

108. The provisions of the International Ammunition Technical Guidelines are applicable in the current standard operating procedures for the management of

weapons and ammunition developed by the UNAMI Security Section in Iraq. The UNAMI Property Control and Inventory Unit will continue to follow existing relevant guidelines of the Department of Safety and Security as well as property management guidelines. Physical inspection and accountability with respect to weapons and ammunition have improved through robust physical count exercises involving mission support and security personnel.

109. **In paragraph 353 of its report, the Board recommended that the Administration consider the assignment of all the functions related to UNAMA and UNAMI to the Kuwait Joint Support Office within a reasonable time frame.**

Departments responsible:	Department of Field Support and Department of Political Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

110. The formation of the Kuwait Joint Support Office as a back-office support entity for UNAMA and UNAMI, in accordance with the provisions of General Assembly resolution 65/259, was intended to provide non-location-dependent finance and personnel administration services to its clients. From its original core clients, UNAMA and UNAMI, the back-office support provided by the Office has expanded to include the United Nations Regional Centre for Preventive Diplomacy for Central Asia, the Office of the Special Envoy of the Secretary-General for Yemen and the Office of the Special Envoy of the Secretary-General for Syria. In addition, the Secretariat has responded to a key Umoja initiative to centralize the processing of payroll for national staff and individual uniformed officers of peacekeeping and special political missions into two hubs, of which the Office is one and the Regional Service Centre in Entebbe, Uganda, is the other. This has expanded the payroll services of the Office to include the United Nations Interim Force in Lebanon, the United Nations Disengagement Observer Force, the United Nations Interim Administration Mission in Kosovo, the Global Service Centre, the United Nations Military Observer Group in India and Pakistan (UNMOGIP) and the United Nations Peacekeeping Force in Cyprus, along with some other special political missions.

111. In ensuring that the Kuwait Joint Support Office is focused on its back-office role, UNAMI has retained its support functions in Kuwait by providing logistics and maintenance services to the Office. This requires UNAMI to have a significantly greater presence in Kuwait, which also reflects its legacy role of being in Kuwait as part of its early years of deployment into Iraq.

112. The emphasis of the functions carried out by the Kuwait Joint Support Office for its client missions is placed on specific criteria, the primary one being the provision of non-location-dependent services in the areas of finance and personnel administration. This range of services does not cover all tasks carried out by any remaining mission functions in Kuwait, since that is outside the scope of the Office. For example, the Integrated Conduct and Discipline Unit operates under an operational framework to support the performance of conduct and discipline functions at UNAMA, UNAMI, the United Nations Regional Centre for Preventive Diplomacy for Central Asia and UNMOGIP, and is an entity separate from the Office, the only common link being its location in Kuwait.

113. The transfer of functions to the Kuwait Joint Support Office has been implemented to the extent feasible under a back-office arrangement, with the latest emphasis placed on expanding the number of clients that would be served by the Office. As stated above, where arrangements are not conducive to governance by the Office, such as the conduct and discipline functions or security arrangements where cost-reimbursement mechanisms are in place, they have been retained outside the scope of the Office.

114. **In paragraph 359 of its report, the Board recommended that in future missions, the Administration make budget provisions based on realistic assumptions to avoid wide variances.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2018

115. The Administration's comments are reflected in paragraph 360 of the Board's report. In addition, the Administration would like to point out that the United Nations Mission for Ebola Emergency Response (UNMEER) was the first of its kind that required the United Nations to urgently respond to a health crisis. There was no comparable mission that could have been used as a benchmark in preparing the assumptions for UNMEER. The Administration would also like to point out that the total expenditures for UNMEER exceeded the final appropriation by only about $7,000 (final expenditure of $75.715 million, compared with the appropriation of $75.708 million).

116. **In paragraph 362 of its report, the Board recommended that the Administration ensure that special measures, whenever offered in special circumstances, were adhered to.**

Departments responsible:	Department of Management and Department of Field Support
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

117. All staff members deployed to UNMEER were medically cleared by the Medical Services Division. It was the first time that a specified standard for medical clearance had been determined, and the standard was strictly enforced, although there was intense pressure for rapid mobilization. The evidence for these clearances is in the medical records, and no request to produce them was received by the Division.

118. **In paragraph 367 of its report, the Board recommended that in cases of disposal of United Nations property by gift, donation, sale at nominal value or free transfer, the handover action and transfer of ownership must be documented and certificates of handover of equipment and material disposed were to be obtained and records maintained appropriately.**

Departments responsible:	Department of Management and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Ongoing

119. The Office of Central Support Services and the Department of Field Support are following up on this recommendation to ensure that all assets of UNMEER were handed over or disposed of in accordance with the relevant rules and procedures.

120. **In paragraph 379 of its report, the Board recommended that the Administration adjust the governance structure to preclude any risk of conflicts of interest. In particular, the role of the Director of Administration as senior user must be segregated from the duties of project executive and from the duties of the strategic heritage plan project director.**

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

121. The Administration's comments are reflected in paragraph 380 of the Board's report.

122. **In paragraph 383 of its report, the Board recommended that the project owner put in place both independent and integrated risk management, as separate functions, and revise and specify the liaison of the two different risk management functions in the strategic heritage plan programme manual.**

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

123. The United Nations Office at Geneva is in the process of putting in place a contract amendment to align the services being provided and change them into an independent risk service and an integrated risk management service. The strategic heritage plan programme manual will also be updated to reflect the two risk management functions.

124. **In paragraph 387 of its report, the Board recommended that the project owner seek a framework for staff continuity within the strategic heritage plan project.**

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

125. The Administration's comments are reflected in paragraph 388 of the Board's report. In addition, the United Nations Office at Geneva is discussing this matter with the Office of Human Resources Management to explore what options, if any, are available within the current framework to address the audit recommendation.

126. **In paragraph 391 of its report, the Board recommended that: (a) the strategic heritage plan team finalize the parts of the programme manual related to the construction phase; and (b) the project owner approve and implement the programme manual.**

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

127. All procedures set out in the strategic heritage plan programme manual related to the construction phase have been reviewed and modified by the strategic heritage plan team. Work is currently ongoing to finalize the change management process to ensure that it is validated and integrated into the strategic heritage plan programme manual in time for the start of the construction phase.

128. **In paragraph 397 of its report, the Board recommended that, with regard to future strategic heritage plan solicitations, the United Nations Office at Geneva review as to whether impacts of acceptance and non-acceptance of substantial contract clauses were appropriately reflected in the evaluation methodology and criteria. For this reason, the Office might consider:**

(a) **Explicitly widening the scope of the risk mitigation evaluation with regard to potential impacts of non-acceptance of the draft contract; or**

(b) **Identifying such crucial contract clauses that were of particular importance for the United Nations and incorporate them into the list of pass/fail criteria; or**

(c) **Defining acceptance of the entire draft contract as a pass/fail criterion (possibly combined with a mitigation of contract clauses whose acceptance by bidders seemed to be rather unlikely).**

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

129. Seven bids were received for the construction of the new permanent building. Following the evaluation of the bids received, the risk of non-acceptance of the draft contract has reduced substantially, with 85 per cent of the bidders accepting the draft contract without amendments. The renovation contract and bid criteria that are under development will also be reviewed against the impacts of acceptance or non-acceptance accordingly.

130. **In paragraph 402 of its report, the Board recommended that, involving local lawyers and considering all potential negative impacts, the United Nations Office at Geneva review as to whether amendments/clarifications on the**

warranty regime as set forth in the contract (including the conditions and the specifications) were deemed necessary and feasible. If so, the Office might wish to consider developing a clear and comprehensive warranty regime in a designated paragraph of the contract conditions or in a separate document.

Departments responsible:	United Nations Office at Geneva and Office of Legal Affairs
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

131. The Administration's comments are reflected in paragraph 405 of the Board's report.

132. **In paragraph 403 of its report, the Board furthermore recommended that the United Nations Office at Geneva review as to whether amendments or clarifications were deemed necessary on whether and to what extent further stipulations of the Swiss construction standards of the Swiss Society of Engineers and Architects SIA 118 and SIA 118/380 (on payment, claims, etc.) were to apply.**

Departments responsible:	United Nations Office at Geneva and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

133. The strategic heritage plan team is taking action in this regard, including the involvement of the Office of Legal Affairs and the strategic heritage plan's external local legal firm in the tender process for the new permanent building and in the reviews of the request for proposal documents and a draft contract accordingly. The submitted tender bids fully reflect the amendments and clarifications decided upon to ensure clarity. The same decisions will also be clearly set forth in the renovation contract, which is currently being prepared.

134. **In paragraph 404 of its report, concerning future contract drafting, the Board recommended that the United Nations Office at Geneva ensure that general contract terms and specifications were aligned more closely.**

Departments responsible:	United Nations Office at Geneva and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

135. See the Administration's comments above relating to the recommendation contained in paragraph 403 of the Board's report.

136. **In paragraph 411 of its report, the Board indicated that it considered the schedule for the enabling works package and the construction works for the new permanent building as very ambitious and recommended that the**

Administration take effective actions during the procurement process for the new permanent building, because any further delay would jeopardize meeting the envisaged start date of the construction. Nonetheless, accuracy and rigorous leadership of actions must be ensured because weaknesses in that regard might cause further delays.

Department responsible:	United Nations Office at Geneva
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2019

137. The procurement process for the new permanent building is now under way. The United Nations Office at Geneva has submitted its recommendation for the awarding of the contract to the Procurement Division. It is expected that the strategic heritage plan will be able to recover the three-week delay encountered as a result of the extension of the bid submission deadline. The planned completion date for the new permanent building is, as it was originally scheduled to be, by the end of December 2019.

B. Implementation of the recommendations contained in the reports of the Board of Auditors on the United Nations for prior financial periods

Overview

138. In paragraph 9 of its resolution 71/261 A, the General Assembly reiterated its request to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board of Auditors a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that were two or more years old.

139. In annex I to its report on the United Nations for the year ended 31 December 2016 (A/72/5 (Vol. I), chap. II), the Board provided a summary of the status of implementation, as of December 2016, of its 98 extant recommendations relating to prior financial periods. Of those 98 recommendations, 17 (18 per cent) had been fully implemented, 66 (67 per cent) were under implementation, 10 (10 per cent) had not been implemented and the remaining 5 (5 per cent) had been overtaken by events. The Board noted that the percentage of extant recommendations implemented had increased from 9 per cent in 2015 to 18 per cent in 2016 and that preliminary steps had been taken towards the implementation of 67 per cent of outstanding recommendations.

140. The overall status of implementation, as of December 2016, of the recommendations contained in the Board's reports on the United Nations for the past five financial periods is shown in table 3.

Table 3

Overall status of implementation of the recommendations of the Board of Auditors on the United Nations for prior periods, as at 31 December 2016

Period report symbol	*Implemented*	*Under implementation*	*Not implemented*	*Closed by the Board overtaken by events*	*Total*
2008-2009/(A/65/5 (Vol. I), chap. II)	64		2	6	72
2010-2011/(A/67/5 (Vol. I), chap. II)	25	2		13	40
2012-2013/(A/69/5 (Vol. I), chap. II)	7	14	5	2	28
2014/(A/70/5 (Vol. I), chap. II)	4	18	1	3	26
2015/(A/71/5 (Vol. I), chap. II)	7	32	2	3	44
Total	**107**	**66**	**10**	**27**	**210**
Percentage	**51**	**31**	**5**	**13**	**100**

141. Table 4 summarizes the overall situation, as of August 2017, with respect to the 76 recommendations that had been determined by the Board to be either "under implementation" or "not implemented" as of December 2016.

Table 4

Status of implementation of recommendations from prior periods considered not fully implemented in annex I to the report of the Board of Auditors on the United Nations for the year ended 31 December 2016

Department(s) responsible	*No. of recommendations*	*Implemented, closure requested*	*Overtaken by events*	*Not implemented*	*In progress*	*Target date set*	*No target date*
Department of Management	54	13	1	1	39	32	8
Department of Political Affairs	1	1	–	–	–	–	–
Office for the Coordination of Humanitarian Affairs	3	–	–	–	3	3	–
Office of Internal Oversight Services	1	–	–	–	1	–	1
Office of Legal Affairs	2	2	–	–	–	–	–
Multiple departments	15	5	–	–	10	5	5
Total	**76**	**21**	**1**	**1**	**53**	**40**	**14**
Percentage	**100**	**28**	**1**	**1**	**70**		

142. As indicated in table 4, of the 76 recommendations determined by the Board to be either "under implementation" or "not implemented", 21 (28 per cent) had subsequently been implemented or had been the object of a request for their closure, 1 (1 per cent) had been overtaken by events, 1 (1 per cent) had not been implemented and 53 (70 per cent) were in progress as of August 2017. Of the 54 recommendations that were in progress or had not been implemented, 12 were scheduled to be implemented before the end of 2017, 22 in 2018 and 6 between 2019 and 2020, and 14 were of an ongoing nature.

Detailed information on implementation status

Report of the Board for the year ended 31 December 2015[7]

143. **In paragraph 47 of its report, the Board recommended that known reductions in expenditure be fully considered alongside known increases in expenditure during preparation of the first and second performance reports.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

144. Whereas the second performance report reflects adjustments to the budget that take into account actual expenditure experience and projections, the format and presentation of the first performance report are aligned with General Assembly resolution 32/211. A table setting out expenditures as at 30 September is included in the first performance report. Any adjustments to the format, including revisions, of adjustments to the first performance report based on actual expenditures would require approval by the General Assembly. The Board is requested to close this recommendation.

145. **In paragraph 56 of its report, the Board recommended that the Administration improve scrutiny of open commitments at year-end by providing more detailed guidance on how staff should establish the need to retain them.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

146. The Office of Programme Planning, Budget and Accounts will continue to strengthen the monitoring and scrutiny of open commitments at year-end, in line with the Board's recommendation. More detailed guidance will be provided to entities on reviewing open commitments and the need to retain commitments in the context of the second performance report for the biennium 2016-2017 and for the 2017 year-end closure.

147. **In paragraph 57 of its report, the Board recommended that the Administration review open commitments during the year, and particularly at year-end, to challenge any that appeared to be retained unnecessarily.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2018

[7] A/71/5 (Vol. II), chap. II.

148. The Office of Programme Planning, Budget and Accounts has continued to regularly review open commitments, especially at year-end, and is engaging in liaison with departments and offices on the issues noted. More detailed guidance will be provided to entities on reviewing open commitments and the need to retain commitments in the context of the second performance report for the biennium 2016-2017 and for the 2017 year-end closure.

149. **In paragraph 88 of its report, the Board recommended that the Administration assess the current status of implementation of the nine recommendations of the working group on results-based management and report on progress made in the next annual progress report on accountability.**

Department responsible:	Department of Management
Status:	Overtaken by events
Priority:	Medium
Target date:	Not applicable

150. The Administration reiterates that this recommendation has been overtaken by events. As indicated in the Administration's prior comments to the Board, in paragraph 14 of its resolution 71/283 the General Assembly requested the Secretary-General to include a detailed plan for the implementation of results-based management in the seventh progress report on accountability. While the new plan may include some of the elements recommended by the working group on results-based management, it will be substantially different, as it will need to take into consideration the new realities brought about by the implementation of Umoja.

151. **In paragraph 90 of its report, the Board reiterated its previous recommendation that the Administration establish how and under what time frame it would be able to more closely link budget consumption with what had been delivered in terms of outputs and outcomes; and with that as the aim, set out a detailed plan for embedding results-based management as part of business as usual, defining clear responsibilities and resources.**

Department responsible:	Department of Management
Status:	Not implemented
Priority:	High
Target date:	Ongoing

152. This is a complex issue that would require further review and analysis in terms of the added value of cost accounting, as there are a number of factors that would have an impact on the correlation between the two areas; for example, the improvement in the percentage of outputs produced vis-à-vis increased costs relating to post adjustment multipliers and the strengthening of the United States dollar. Hence, while the output continues to be delivered, the costs of delivering such outputs have decreased as a result of factors beyond the Secretariat's control.

153. **In paragraph 99 of its report, the Board recommended that the Administration accelerate its current process of strengthening the performance measures used by departments to measure and report results.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

154. This has been and continues to be implemented, most recently in the context of the preparation of the strategic framework for the period 2018-2019, where revisions to elements of the strategic framework were undertaken to make them more impact-oriented.

155. **In paragraph 112 of its report, the Board recommended that the Administration set out a detailed plan for how it could make best use of current resources to improve evaluation across the Secretariat, including the level and types of reviews it needed to undertake, the skills and capacity required to perform them, and how it could learn lessons from existing approaches to cost-effectively support staff to perform self-evaluations through, for example, training staff in standard evaluative tools and techniques.**

Departments responsible:	Department of Management and Office of Internal Oversight Services
Status:	In progress
Priority:	High
Target date:	Ongoing

156. The Department of Management and OIOS are working together on proposals to strengthen evaluation. Both the Department of Management and OIOS have provided their proposals to the Executive Office of the Secretary-General, and those proposals are being considered in the context of the Secretary-General's forthcoming internal management reform proposals.

157. **In paragraph 122 of its report, the Board recommended that the Administration ensure that the rental charge was an accurate representation of current market rates in each location.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

158. The Administration is continuing to make efforts to ensure that rental charges are an accurate representation of current market rates in each location.

159. **In paragraph 126 of its report, the Board recommended that the Administration review the completeness of data in the Umoja real estate module and ensure that adequate controls were in place to assure data quality.**

Departments responsible:	Department of Management and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

160. The Office of Central Support Services has made significant efforts, by monitoring performance and by providing guidance, training and support, to enrich real estate data across all entities. However, the area of peacekeeping still requires further enriching to ensure the completeness of real estate data in Umoja. The Department of Field Support, with the support of the Office, will work to address these shortcomings after the Galileo decommissioning project is completed in September 2017.

161. **In paragraph 131 of its report, the Board recommended that the Administration perform utilization studies across the main locations of the Secretariat to identify the required size and composition of the estate to better support future requests for funding.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2019

162. The functionality of tracking utilization rates is included in Umoja Extension 2, and the Office of Central Support Services is developing a standard methodology for undertaking utilization studies.

163. **In paragraph 135 of its report, the Board recommended that the Administration establish standard cost categories for use by each duty station to improve transparency and enable reporting of "cost of the estate per staff member" at each location.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

164. The Office of Central Support Services has coordinated a benchmarking exercise through its Inter-Agency Network of Facilities Managers, which includes Headquarters and all offices away from Headquarters. The Office is also developing a key performance indicator for "cost of the estate per staff member" to be used for reporting purposes as part of future benchmarking exercises.

165. **In paragraph 137 of its report, the Board recommended that the Administration establish a standard format for proposing maintenance budgets to improve comparability across duty stations.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

166. The Office of Central Support Services is preparing a standard format for proposing maintenance budgets that will be included in the report of the Secretary-General on the strategic capital review, which will be submitted to the General Assembly at the main part of its seventy-second session.

167. **In paragraph 141 of its report, the Board recommended that the Administration design a common set of performance metrics to help benchmark performance across each duty station.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

168. See the Administration's comments above relating to the recommendation contained in paragraph 135 of the Board's report.

169. **In paragraph 143 of its report, the Board recommended that the Administration design a common set of performance measures to improve consistency of reporting to Member States.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

170. The Office of Central Support Services is developing a set of standard key performance indicators to be used for reporting purposes as part of future benchmarking exercises.

171. **In paragraph 154 of its report, the Board recommended that the Administration review the current resource model for the Overseas Property Management Unit and determine whether it had the capacity and skills to fulfil current and future levels of demand.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

172. The Administration has presented to the General Assembly a proposal to strengthen the Overseas Property Management Unit, which is contained in the proposed programme budget for the biennium 2018-2019 (see A/72/6 (Sect. 29D)).

173. **In paragraph 157, the Board recommended that the Administration formalize use of the Overseas Property Management Unit project management guidelines on all major construction projects.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

174. The Administration is developing a policy that will formalize the use of the Overseas Property Management Unit project management guidelines for all major construction projects. The policy will be promulgated after the consultations with all relevant parties are completed.

175. **In paragraph 160 of its report, the Board recommended that the Administration consider how best to improve the consistency of estates management by: (a) developing a global estates strategy; or (b) defining a standard approach to developing local estates strategies, ensuring that the impacts of wider business transformation initiatives on future estates requirements were taken into account.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

176. The Administration has incorporated a global estates strategy into the report of the Secretary-General on the strategic capital review, which will be submitted to the General Assembly at the main part of its seventy-second session.

177. **In paragraph 166 of its report, the Board recommended that the Office of Human Resources Management strengthen its performance monitoring mechanisms, including re-establishing the Performance Review Group as proposed, to improve the performance of entities that had not achieved targets on staff recruitment times, vacancy rates and completion of performance appraisals.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

178. The Administration will re-establish the Performance Review Group, as recommended by the Board. However, the Administration notes that this recommendation has been reiterated in the recommendation contained in paragraph

211 of the Board's report for the year ended 31 December 2016. In order to avoid double-counting, the Board is requested to close this recommendation.

179. **In paragraph 169 of its report, the Board recommended that the Administration develop indicators for the handling of disciplinary cases. Those indicators should cover: (a) the proportion of referrals that led to a case being initiated; (b) the length of time between referral and case initiation; (c) overall case durations; and (d) case outcomes. The indicators should be used to support improvements in the processes for referring and handling cases.**

Departments responsible:	Department of Management and Office of Internal Oversight Services
Status:	In progress
Priority:	Medium
Target date:	Ongoing

180. The Department of Management, in coordination with other relevant departments and offices of the Secretariat, will develop indicators for the handling of disciplinary cases. However, the Administration considers part (b) of the recommendation to have been implemented, since the Office of Human Resources Management has a target of three months between the referral of a case and the first action on the case.

181. In addition, OIOS routinely measures some the indicators mentioned in the recommendation, and that information is captured in its performance measures.

182. **In paragraph 186 of its report, the Board recommended that the Office of Human Resources Management: (a) analyse the additional capabilities required of Umoja to better implement the mobility framework, incorporating features such as the capture of baseline data on movements, even when there was no change in duty station, the capture of the vacancy rate by job network, enhanced tracking of expenditure and the putting in place of checks and validations to ensure that the recording of information by all entities was consistent, within a definite time frame; and (b) monitor the trend of movements between duty station categories and try to increase movement between different categories to better realize the organizational goals linked with mobility.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

183. The human resources personnel administration and organizational management modules will facilitate the capture of more detailed information regarding maximum occupancy of staff positions as well as non-rotational positions. In addition, the Office of Human Resources Management is working with other relevant offices to enhance the tracking of expenditure related to staff movements.

184. **In paragraph 198 of its report, the Board recommended that the Learning, Development and Human Resources Services Division: (a) consider more focused inputs while preparing the budget to ensure better compliance in**

terms of achievement of targets; (b) identify causes for underachievement and take suitable corrective action to ensure achievement of targets for all objectives and outputs specified in the programme budget; (c) make efforts to increase the sample sizes for surveys to obtain feedback and implement the standardized surveys early, which would generate more reliable data to support conclusions therefrom; (d) put in place a mechanism to evaluate the impact of services offered and of the underachievement of targets; and (e) ensure that performance on all parameters set out in the programme budget were measured, documented and reported upon.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2020

185. The Office of Human Resources Management has reviewed its achievements for the year ended 31 December 2016 against the targets set out in the proposed programme budget for the biennium 2016-2017 and found that many were on track. The Administration will deal with part (a) of the recommendation when the next strategic framework is drafted. However, the targets will be found only in the proposed programme budget for the biennium 2020-2021, the preparation of which will start in the fourth quarter of 2018, and which will be approved by December 2019. The Office considers part (b) of the recommendation to have been implemented, since client satisfaction surveys have been completed for the centrally coordinated programmes in the Inspira learning management system, and therefore all participants have been surveyed.

186. **In paragraph 214 of its report, the Board recommended that the Medical Services Division: (a) design survey questionnaires to seek specific feedback suggestions for improvements; (b) put in place well-defined protocols and adequately train staff to ensure that avoidable delays owing to deficient documentation were reduced to the minimum, enabling faster medical clearances; and (c) define parameters to measure achievement of the goals related to its strategic activities.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2018

187. The Medical Services Division has procured a validated client satisfaction questionnaire, which will be rolled out at all United Nations clinics worldwide. A new medical clearance procedure has now been implemented. New measures are being implemented on a rolling basis and reviewed at the quarterly internal meetings of the Division's Strategic Management Committee.

188. **In paragraph 241 of its report, the Board recommended that, in cases where exceptionally low bids were accepted, appropriate performance security clauses and key performance indicators for the vendor be automatically included in contracts to protect the interests of the United Nations. The release**

of payments under these contracts should also be subject to increased scrutiny to ensure that commensurate value had been delivered.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

189. The Office of Central Support Services continues to pay special attention to cases where exceptionally low bids are accepted and includes appropriate performance security clauses and key performance indicators in contracts. With regard to increased scrutiny before payment, contract managers are encouraged to pay special attention to all contracts. In addition, the Procurement Division continues to provide contract management training to requisitioning departments. In addition, the Office will issue a memorandum to requisitioners requesting them to pay special attention to and carry out due diligence regarding these contracts.

190. **In paragraph 256 of its report, the Board recommended that the legal framework around the granting of funds to partners be formally introduced into the Financial Regulations and Rules.**

Departments responsible:	Department of Management and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	Ongoing

191. The Department of Management is holding consultations with the Office of Legal Affairs regarding the specific financial regulations and rules that should be proposed to establish the general legal framework necessary for the granting of funds to implementing partners.

192. **In paragraph 264 of its report, the Board recommended that the Administration develop a common principles-based framework for the management of partners which specified the key procedures to be performed by all Secretariat entities. To facilitate the development of the common framework, the Secretariat should conduct an end-to-end review of the project management life cycle, including consultations with key stakeholders and a review of all current practices.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

193. In response to paragraphs 8 and 10 of General Assembly resolution 71/283 and the ensuing formulation of the new rule on implementing partners, the Administration is in the process of developing a common principles-based framework for the management of partners.

194. **In paragraph 269 of its report, the Board recommended that the Administration finalize, and issue under appropriate authority, its standard template agreement with implementing partners to include appropriate anti-fraud, sanctions and audit clauses.**

Departments responsible:	Department of Management and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

195. The Administration is continuing to work on the issuance of a standard template agreement with implementing partners. This is one of the action plans of the enterprise risk management working group on implementing partners.

196. **In paragraph 270 of its report, the Board reiterated its previous recommendation to establish information-sharing mechanisms on implementing partners that covered due diligence procedures, implementation issues and performance evaluations performed by United Nations entities and partners with which they had worked.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

197. The Administration continues to work on the issuance of a standard template agreement with implementing partners, which is one of the action plans of the enterprise risk management working group.

198. **In paragraph 283 of its report, the Board recommended that the Office for the Coordination of Humanitarian Affairs ensure that the new assurance framework was uniformly applied and embedded across country offices. In particular, the Office urgently needed to improve the collation and analysis of data on the results of monitoring activities performed during the year to confirm that there was sufficient assurance that funds had been applied for the purposes intended.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

199. The development of dashboards in the internal business intelligence module for country-based pooled funds is under way; they are expected to be rolled out by the end of 2017.

200. **In paragraph 286 of its report, the Board recommended that the Administration conduct a comprehensive review of the functionality of existing**

grant management systems and the information needs of users and other stakeholders before finalizing the scope of Umoja Extension 2.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

201. Following extensive research and discussions with process owners, including a workshop to examine the full functionality of the grant management module in relation to United Nations business requirements, the solution architecture has been finalized, and the planning for its deployment is now under way.

202. **In paragraph 292 of its report, the Board recommended that the Administration develop appropriate project-level risk guidance that supported the wider Secretariat approach to risk management.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

203. A detailed enterprise risk management guide for managers was issued in January 2017, outlining how all Secretariat entities can implement an effective enterprise risk management framework based on the Secretariat's common policy and methodology. The guide is complemented by relevant tools and templates that could also be used for the assessment of risks at the project level. The Administration considers this recommendation to have been implemented and requests its closure by the Board.

204. **In paragraph 296 of its report, the Board recommended that the Administration reassess the realism of the timelines set out in the risk action plans approved in June 2015.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

205. As previously reported to the Board, the timelines for the risk action plans were revised by corporate risk owners and formally presented to the Management Committee through the "risk treatment and response plans progress scorecard". Given that the Committee agreed to the revised timelines, the Administration requests that the Board close this recommendation.

206. **In paragraph 303 of its report, the Board reiterated its previous recommendation that the Administration develop a detailed implementation plan for all elements of enterprise risk management that set out a clear timetable, milestones, deliverables and the resources required.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

207. The Administration notes that all elements for the implementation of enterprise risk management throughout the Secretariat have been put in place and therefore considers this recommendation to have been implemented and requests its closure by the Board. Those elements include:

(a) A formally approved enterprise risk management policy;

(b) A methodology for its implementation;

(c) A Secretariat-wide risk assessment implemented and risk action plans prepared for mitigation of the risks identified;

(d) A detailed enterprise risk management guide for managers, complemented with relevant tools and templates, to enable managers to implement this exercise at the department/office level;

(e) A formal governance structure, including a central enterprise risk management function, a senior-level enterprise risk management committee (the Management Committee), formally appointed corporate risk owners to address the critical risks, and dedicated risk treatment working groups;

(f) Regular monitoring and reporting, on a quarterly basis to the Management Committee and annually to the General Assembly;

(g) An established risk assessment process for the updating of the Secretariat-wide risk register, complemented with a detailed anti-fraud risk assessment;

(h) A communication programme consisting of in-person training for focal points, an online programme available both in Inspira and at the United Nations System Staff College, a community of practice, and dedicated iSeek webpages and articles.

208. **In paragraph 312 of its report, the Board reiterated its previous recommendations on fraud and strongly encouraged management to review its approach to involving local law enforcement authorities in investigations of wrongdoing.**

Department responsible:	Office of Legal Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

209. In January 2016, the Office of Legal Affairs issued a circular to all United Nations departments and offices as well as the funds and programmes, advising them of the procedures regarding the referral of credible allegations that reveal that a crime may have been committed by United Nations personnel or experts on mission. An additional circular was issued by the Office to all such entities in March 2017, reiterating the procedures. The Office considers this recommendation to have been implemented and requests its closure by the Board.

210. **In paragraph 329 of its report, the Board reiterated its previous recommendation that the Administration establish a formal approach to managing and improving operations to enable continuous reform and improvement in departments.**

Departments responsible:	Executive Office of the Secretary-General and Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

211. The Administration notes that it has a well-defined formal approach to the implementation of reforms, which are overseen by the Management Committee. The Committee also oversees the continuous reform process. Further down the line, individual steering committees (or their equivalent), project teams and department or office heads are responsible for supervising the day-to-day reform and improvement processes within their functional areas. Goals to be achieved by programme managers — and/or their contributions to such initiatives and reforms — within each functional area are established in the senior managers' compacts, which are the tools that the Secretary-General uses to assess the performance of senior managers. This approach has proved to be effective in the past, as demonstrated by the successful completion of the capital master plan, the implementation of IPSAS and the various phases of Umoja. The Administration considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2014[3]

212. **In paragraph 28 of its report, the Board recommended that the Administration transform the finance function into a more strategic value-adding service and support that transformation with a wider financial management training programme to enhance financial literacy and management across the Organization.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

213. The Administration is continuing its efforts to pilot professional financial management training through the Chartered Institute of Public Finance and Accountancy. In addition, key finance managers have been trained in the areas of risk management and internal controls.

214. **In paragraph 40 of its report, the Board recommended that the Administration: (a) develop standard approaches and methodologies for measuring the costs of providing services to internal and external users; and (b) identify how Umoja could support more transparent recording, analysis and reporting of the full costs of activities.**

[3] A/70/5 (Vol. I) and Corr.1, chap. II.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

215. The Administration is in the process of reviewing types of activity for the costing of services with the goal of consolidating the Secretariat-wide service catalogue. With the implementation of Umoja, the Secretariat has started the process of developing a standardized consolidated catalogue setting out the costs of the services that it provides. Once the standardization is complete, the Secretariat will be able to compare the costs of services across the Organization and identify areas of opportunity to capture efficiencies.

216. **In paragraph 60 of its report, the Board recommended that the Administration examine the underlying causes of the differences in average claim costs to determine whether there was scope to reduce the costs of administering the schemes.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

217. The Office of Programme Planning, Budget and Accounts continues to monitor claims costs across all health insurance schemes and is in the process of adjusting the third-party administrators' reporting of technical results for better control in respect of utilization and average claim per health-care category.

218. With regard to administration costs, the Office of Programme Planning Budget and Accounts is planning to review and adjust the terms and conditions governing the relationships with the third-party administrators, with a view to the issuance of requests for proposals over the coming 18 months. In the interim, the Office has authorized health-care providers to use direct claiming for the worldwide plan in order to contain administrative fees.

219. **In paragraph 64 of its report, the Board recommended that arrangements be made to conduct an open-book audit of the third-party administrators to provide assurance over the accuracy of reported costs and activities performed by the Administration's agents and to confirm that they had complied with their contractual obligations. The inspection rights under those contacts should be exercised regularly in future.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2018

220. The request for proposals that was launched by the Office of Programme Planning, Budget and Accounts in 2016 was unsuccessful in eliciting responses

from qualified audit firms. A restructured and adjusted request for proposals will be issued in the first quarter of 2018 with a view to having a comprehensive audit process in place later in the year. In the interim, the Administration continues to closely monitor the internal audit reports of third-party administrators.

221. **In paragraph 74 of its report, The Board reiterated its previous recommendation and encouraged the Secretariat to expedite work on developing workforce planning as a matter of urgency.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2020

222. The Office of Human Resources Management has launched a workforce planning mainstreaming project aimed at standardizing the workforce planning methodology Secretariat-wide by providing training and guidance, as well as creating a community of practice, to empower entities to work on their plans individually. Upon the completion of the mainstreaming project, entities should have standardized but individual workforce plans aligned with the organizational strategy.

223. **In paragraph 80 of its report, the Board recommended that the Secretariat: (a) develop an appropriate mechanism to ensure that budget and human resources functions currently handled in silos by the Office of Human Resources Management and the Office of Programme Planning, Budget and Accounts were better coordinated to improve strategic human resources planning; (b) review job profiles to ensure that each post was categorized within an appropriate job family and network using a common standard classification system; and (c) consider the scope for developing a workforce planning module in the scope of Umoja.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

224. Regarding part (a) of the recommendation, the Administration continues to deploy and enhance Umoja, and it is expected that there will be better processes and information management between the budget and human resources management functions. Regarding part (b), it should be noted that, as a matter of practice, before posts are advertised it is confirmed whether a proper job classification for the post exists and, if there is no such classification, departments and offices are advised to request that the post be reviewed and classified in accordance with the applicable job classification standards established by the International Civil Service Commission. Regarding part (c), it is expected that Umoja Extension 2 will allow for better information management between budget and human resources for the various steps of the workforce planning process.

225. **In paragraph 83 of its report, the Board recommended that the Administration review, update and rationalize the current delegations of authority.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2019

226. The internal review team appointed by the Secretary-General in January 2017 is reviewing the matter of delegation of authority from the Secretary-General to heads of departments and offices Secretariat-wide. The Office of Human Resources Management has nearly completed its review and analysis of the "as is" situation. The Office is waiting for the outcome of the Secretary-General's reform proposals on this matter; in accordance with that outcome, it will revise the policy framework on the delegation of authority.

227. **In paragraph 84 of its report, the Board also recommended that the Administration produce a consolidated policy document which clearly set out delegations of authority and that the Office of Human Resources Management establish an assurance and oversight framework to monitor the exercise of delegated powers and ensure that they were exercised in conformity with the approved policy.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2019

228. See the Administration's comments above on the recommendation contained in paragraph 83 of the Board's report.

229. **In paragraph 92 of its report, the Board recommended that the Office of Human Resources Management monitor the implementation of the Secretary-General's bulletin on employment and accessibility for staff members with disabilities in the United Nations Secretariat (ST/SGB/2014/3).**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

230. See the Administration's comments above on the recommendation contained in paragraph 153 of the Board's report for the year ended 31 December 2016. The Administration considers this recommendation to have been fully implemented and requests its closure.

231. **In paragraph 93 of its report, the Board also recommended that the Administration address gaps in access to data on sick leave for comprehensive and timely reporting and develop capability to gather information on key health-care parameters covering all its clients across the United Nations system for more comprehensive reporting on status and policy issues.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

232. The revised draft administrative instruction that will allow the Medical Services Division to process sick leave in less than 30 days is awaiting consultations with stakeholders. The enabling portal is close to completion, and a business intelligence interface with Umoja is being developed to create management reports on sick leave utilization.

233. **In paragraph 98 of its report, the Board recommended that the Office of Human Resources Management: (a) consider capturing information on the spans of control of first and second reporting officers with a view to identifying cases where such spans were unacceptably large compared with office norms; (b) consider the use of enhanced data analytics for additional dashboard reports that would facilitate analysis of individual performance grading of individual employees; and (c) consider enhancing system applications to aggregate information on individual development plans and training activities to be undertaken.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

234. The Administration considers parts (a) and (b) of this recommendation to have been fully implemented. With regard to part (c), and in the context of the new organizational leadership model that is being developed, expectations are being outlined for managers regarding development discussions with their staff. A new definition of development is focused on the building of skills rather than promotion or movement to a new post. Once this process has been defined, technical solutions will be explored whereby the development plan can best be recorded so that it provides useful data for staff, managers and the Organization.

235. **In paragraph 104 of its report, the Board recommended that the Office of Human Resources Management expedite the progress and resolution of disciplinary cases and develop a centralized monitoring system to track the number of ongoing investigations of alleged misconduct from the stage when a complaint was formally lodged or recommended by OIOS.**

Departments responsible:	Department of Management and Office of Internal Oversight Services
Status:	In progress
Priority:	Medium
Target date:	Ongoing

236. The Administration continues to make every effort to expedite the disciplinary process in cases referred for disciplinary action.

237. **In paragraph 122 of its report, the Board recommended that the Secretariat: (a) develop detailed enterprise risk management policies and procedures for staff to follow at departmental levels of the Organization to supplement the guidance in place for managing the critical enterprise risks; (b) develop a detailed implementation plan for all elements of enterprise risk management that set out a clear timetable, milestones, deliverables and resources required; (c) increase the level of communication and training provided to staff on enterprise risk management policies and procedures; (d) consider the acquisition of appropriate tools, including software, to support the implementation of enterprise risk management; and (e) introduce regular progress reports to inform the Management Committee of the status of implementation of enterprise risk management throughout the Organization and to provide assurance that risks were being managed and mitigated effectively.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Ongoing

238. The Administration has been implementing enterprise risk management with limited resources (one Professional post and 50 per cent of a General Service post) and has been using a Secretariat-wide approach. In the context of this system-wide approach, the Administration has completed several actions and the Secretariat currently has:

(a) A formally approved enterprise risk management policy;

(b) A methodology for its implementation;

(c) A Secretariat-wide risk assessment implemented and risk action plans prepared for mitigation of the risks identified;

(d) A detailed enterprise risk management guide for managers, complemented with relevant tools and templates, to enable managers to implement this exercise at the department/office level;

(e) A formal governance structure, including a central enterprise risk management function, a senior-level enterprise risk management committee (the Management Committee), formally appointed corporate risk owners to address the critical risks, and dedicated risk treatment working groups;

(f) Regular monitoring and reporting, on a quarterly basis to the Management Committee and annually to the General Assembly;

(g) An established risk assessment process for the updating of the Secretariat-wide risk register, complemented with a detailed anti-fraud risk assessment;

(h) A communication programme consisting of in-person training for focal points, an online programme available both in Inspira and at the United Nations System Staff College, a community of practice, and dedicated iSeek webpages and articles.

239. The Administration is in the process of reassessing, on the basis of experience, the most effective way to carry out the system-wide implementation of enterprise risk management, and will have further discussions on this matter with the Board.

240. **In paragraph 128 of its report, the Board reiterated its previous recommendations on fraud and strongly encouraged management to take concerted and urgent action to strengthen its counter-fraud policies and procedures.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

241. See the Administration's comments above on the recommendation contained in paragraph 282 of the Board's report for the year ended 31 December 2016. The Administration considers this recommendation to have been fully implemented and requests its closure by the Board.

242. **In paragraph 142 of its report, the Board recommended that the Administration continue to enhance its procurement and contract management capability by continuing its efforts to develop a career path for procurement professionals. This should include further training and other avenues, for example, outward secondments, and the continued recruitment of procurement professionals.**

Departments responsible:	Department of Field Support and Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

243. The Office of Central Support Services and the Department of Field Support have introduced a policy mandating completion of the contract management course by all staff members who perform contract management functions. The Department has confirmed that all of the field procurement staff on active duty have completed the required procurement training courses.

244. **In paragraph 169 of its report, the Board recommended that the Department of Political Affairs work with all involved entities to develop a target operating model for the provision of support to all special political missions that clearly defined roles and responsibilities, the resources required and how performance would be measured.**

Department responsible:	Department of Political Affairs
Status:	Closure requested
Priority:	High
Target date:	Not applicable

245. This recommendation has been overtaken by events, given the recent initiatives of the Secretary-General to launch reforms in the peace and security and management architectures. A management review of the Secretariat-wide support arrangements is currently being conducted, and it will affect the support

arrangements for special political missions. The Board is therefore requested to close this recommendation.

246. **In paragraph 178 of its report, the Board recommended that the Administration strengthen its efforts to monitor and enforce compliance with the 16-day advance purchase rule by special political missions, including by developing a suite of management information reports that provided key information on the date of ticket purchases, the class of travel and the cost of flights.**

Departments responsible:	Department of Political Affairs, Department of Field Support and Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

247. The Administration has developed and launched an advanced Umoja business intelligence report that provides information on compliance with the advance purchase policy. An additional 10 business intelligence reports are also available to support travel management in Umoja.

248. **In paragraph 197 of its report, the Board recommended that the Administration establish a formal approach to managing and improving operations to enable continuous reform and improvement in departments.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

249. Various methodologies and tools for continuous improvement, such as Six Sigma, Lean, total quality management and the "plan-do-check-act" cycle, have been considered by the Administration in its efforts to come up with an approach that is applicable to an Organization that has a very distinct modus operandi and governance structure.

250. At present, the Secretariat uses existing structures and processes to manage its operations as well as formal organizational improvements. At the highest level is the Management Committee. One of its key functions is to consider internal reform and management-related initiatives and issues, including change management processes, requiring strategic direction from the Secretary-General (see ST/SGB/2011/3). In addition, the Secretariat manages its programme of reforms and improvements through steering committees (such as those for Umoja, ICT, the global service delivery model and IPSAS), panels and working groups. The Secretariat has also been making effective use of enterprise risk management and the identification of organizational synchronization and transformation initiatives as major risks, to feed information into the steering committees in order to mitigate the risks identified at this level. Furthermore, there are project owners and process owners, who are responsible for these improvement initiatives, and accountability systems that are established through the senior managers' compacts. These aspects of the formal approach to management are reinforced at other levels by staff development plans that are designed and implemented in conjunction with the Office of Human

Resources Management and the United Nations System Staff College. These are the main structures used by the Administration to manage the Organization's operations as well as formal organizational improvements.

251. The Administration considers this recommendation to have been fully implemented. However, since the Board responded to the Administration's previous comments by stating, "while acknowledging the response of the Administration, the Board considers this recommendation to be under implementation" (see A/72/5 (Vol. I), chap. II, annex I), the Administration would benefit from specific suggestions as to what the Board expects it to do beyond the above-mentioned approaches in order for this recommendation to be regarded as implemented.

252. **In paragraph 199 of its report, the Board recommended that the Administration urgently enhance its capability to coordinate ongoing transformation projects.**

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

253. The main transformation projects have been implemented under the leadership of the Under-Secretary-General for Management as project owner and under the overall supervision of the Management Committee and steering committees. The Under-Secretary-General is also the corporate risk owner and has designed a detailed implementation chart that puts together the implementation schedules of these main initiatives in order to identify possible overlaps, duplications and/or shortcomings. A risk treatment plan aimed at mitigating identified risks is in place and is continuously reviewed by the project owner. The successful implementation of Umoja, IPSAS and the capital master plan attest to the effectiveness of this approach.

254. The Administration considers this recommendation to have been fully implemented. However, since the Board responded to the Administration's previous comments by noting that "more needs to be done to ensure that the ongoing transformation projects like Umoja Extension 2 are delivered within time and cost" (see A/70/5 (Vol. I), chap. II, annex I), the Administration would benefit from specific suggestions by the Board as to what further actions it expects from the Administration.

Report of the Board for the biennium ended 31 December 2013[4]

255. **In paragraph 29 of its report, the Board recommended that the Administration establish how and under what time frame it would be able to more closely link budget consumption with what had been delivered in terms of outputs and outcomes; and, with this aim in mind, set out a detailed plan for embedding results-based management as part of business as usual, defining clear responsibilities and resources.**

[4] A/69/5 (Vol. I), chap. II.

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

256. The Administration reiterates its prior response to this recommendation. In April 2015, the Office of Programme Planning, Budget and Accounts stated that the current budget format provided results-based costing at the subprogramme level. In addition, for specific projects across the Secretariat, costing is often provided at a more detailed level. The level of costing, therefore, is adjusted to the specific needs of the corresponding decision-making process. The Administration therefore requests that the Board close this recommendation.

257. **In paragraph 44 of its report, the Board recommended that the Administration develop plans for the production of monthly management accounts and improved financial reports to management, drawing on the opportunities being provided by IPSAS and the new enterprise resource planning system.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

258. In 2018, the Administration plans to introduce more frequent reporting to senior managers. It is currently exploring the scope of the management accounts and the level of detail to be included in the reporting package.

259. **In paragraph 48 of its report, the Board recommended that the Administration, as part of its work on enterprise risk management, develop a strategy to enhance the accountability and internal control framework, including the development of a "statement on internal control" or equivalent document. This replaced the Board's previous recommendation on internal control (see A/67/5 (Vol. I), chap. II, para. 171).**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

260. The management reform initiatives of the Secretary-General, including the global service delivery model, will have an impact on the envisaged assurance process, internal control responsibilities and timelines. This is vital, given the evolving nature and overarching impact on the envisaged Organization-wide harmonized implementation of the assurances required for the issuance of a statement of internal control. The Administration is currently assessing the capability of the "governance, risk and compliance" module of Umoja to become the information technology backbone for the management of internal control needs and requirements, because without such capability, the implementation of a statement of internal control could be very challenging and possibly not effective.

261. **In paragraph 56 of its report, the Board recommended that the Administration develop a deeper understanding of its cost base and therefore the capability to compare and benchmark its administrative overheads and the performance of its business functions to drive more cost-effective delivery. This might entail creating a general ledger of analysis codes for administrative and programme expenditure (and classifying each transaction according to the appropriate code).**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

262. Umoja already enables a better understanding of the cost base of the Organization's support services. The implementation of this recommendation should be seen in the context of the Administration's response to newer recommendations on cost issues. With the implementation of Umoja, the Secretariat has started the process of developing a standardized consolidated catalogue setting out the costs of the services that it provides. Once the standardization is complete, the Secretariat should be able to compare the costs of services across the Organization and identify areas of opportunity to capture efficiencies.

263. **In paragraph 77 of its report, the Board also recommended that the Administration perform a review of the budget process and implement an improved end-to-end budget process, including the information and communications technology elements of Umoja Extension 2.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2019

264. The budget formulation project is now under way as part of Umoja Extension 2. The Administration is also reviewing the budget processes for potential improvements as a follow-up to the recommendations contained in the report of the High-level Panel on Peace Operations.

265. **In paragraph 103 of its report, the Board recommended that the Office for the Coordination of Humanitarian Affairs require clusters and technical review boards to strengthen the consideration of previous project and implementing partner performance when recommending a project for approval by the humanitarian coordinator. This should include an assessment of:**

- **The non-governmental organizations concerned, including past delivery performance across United Nations entities, and due diligence on the company and key individuals**
- **The type of project, including the likelihood of successful delivery of the intended benefits, for example, distribution of cash vouchers (high risk) versus construction (lower risk)**
- **The location of the project and the ability to monitor progress.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2017

266. The performance index module for country-based pooled funds has been developed in the grant management system and will be fully rolled out by the end of 2017. In line with the Board's additional comments on monitoring, the Office for the Coordination of Humanitarian Affairs has developed and shared different tools and mechanisms for monitoring in different contexts. These are identified at the time of the planning of monitoring missions. With the initiation and roll-out of the dashboard in the business intelligence module of the grant management system in 2017, management in the field and at Headquarters will be able to gain an overview of planned and undertaken monitoring activities in real time.

267. **In paragraph 114 of its report, the Board recommended that the Office for the Coordination of Humanitarian Affairs work with other United Nations entities to establish formal requirements for information-sharing on the performance of implementing partners in each country office.**

Departments responsible:	Department of Management and Office for the Coordination of Humanitarian Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

268. Since the Board redirected this recommendation from the Office for the Coordination of Humanitarian Affairs to the Secretariat in annex I to its report for the year ended 31 December 2014 (A/70/5 (Vol. I), chap. II) and reiterated it in paragraph 270 of its report for the year ended 31 December 2015 (A/71/5 (Vol. I), chap. II), the Administration requests that the Board close this recommendation to avoid any redundancy.

269. **In paragraph 125 of its report, the Board recommended that the Office for the Coordination of Humanitarian Affairs accelerate implementation of the improved controls established in the global guidance and accountability framework. This should be done with a more risk-based and flexible approach to the management of implementing partners in country operations involving: (a) risk assessments to vet implementing partners to create a pool of trusted suppliers; (b) revised funding arrangements where high-risk implementing partners received an initial payment lower than the current initial 80 per cent payment; (c) enhanced monitoring arrangements where, for example, high-risk projects should be subject to interim audits/inspections using audit access rights, while monitoring of lower-risk projects could be based on visits from regional staff; and (d) working with the Office of Legal Affairs to strengthen the current memorandum of understanding between the Office for the Coordination of Humanitarian Affairs and implementing partners.**

Department responsible:	Office for the Coordination of Humanitarian Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

270. With regard to part (a) of the recommendation, a capacity assessment tool with standardized categories and standardized weighting was introduced by the Office for the Coordination of Humanitarian Affairs in September 2016. The scoring of non-governmental organizations allows for the common application of assessed categories for potential partners, such as financial, programmatic and technical capacities. Regarding parts (b) and (d) of the recommendation, funding arrangements and grant agreements have been revised and operational modalities have been rolled out across all of the funds. The Office has made good progress on monitoring and the roll-out of systems to ensure compliance and will address the concerns noted by the Board and fully implement the recommendation by the end of 2017.

271. **In paragraph 136 of its report, the Board recommended that the Administration raise awareness of fraud risks by establishing a clear code of conduct (recognizing that a code of conduct included requirements wider than fraud), reinforced through regular communication of fraud issues and through mandatory training courses for all staff.**

Departments responsible:	Department of Management and Ethics Office
Status:	In progress
Priority:	Medium
Target date:	Ongoing

272. Regarding a code of conduct, the Administration informed the Board that there were already documents in the United Nations that fully addressed the conduct of staff members, such as: (a) the Charter of the United Nations; (b) the standards of conduct for the international civil service, which had been endorsed by the General Assembly in its resolution 67/257; (c) the Secretary-General's bulletin setting out the Staff Regulations and Rules of the United Nations (ST/SGB/2017/1 and Corr.1), which embodied the fundamental conditions of service and the basic rights, duties and obligations of Secretariat staff and embedded the Secretariat's codes of conduct; and (d) the Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat (see ST/IC/2016/25), which assisted the Secretariat in promoting a culture of integrity and honesty within the Organization by providing guidance and information for staff members and other Secretariat personnel on how the Secretariat acted to prevent, detect, deter, respond to and report on fraud and corruption.

273. The above-mentioned documents contain the general guiding values and principles, aspirational standards and enforceable regulations and rules with respect to the conduct of staff members within the Organization. In order to ensure that those principles, regulations and rules are clearly and unambiguously communicated to all staff members with respect to more specific matters such as fraud, the Department of Management and the Ethics Office will issue complementary documents for all staff, including a manual on anti-fraud issues. These will be

among the fraud awareness initiatives to be implemented, which will include ethics training courses.

274. **In paragraph 142 of its report, the Board recommended that the Administration conduct a comprehensive fraud risk assessment, using in-depth research in high-risk areas, to determine the Organization's vulnerabilities and exposure to risks of fraud from both internal and external sources.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

275. The Department of Management is in the process of implementing a Secretariat-wide fraud risk assessment exercise with the objectives of identifying the most critical fraud and corruption risk areas to which the Secretariat is exposed and encouraging risk owners to design response strategies to strengthen the Organization. The exercise, which follows a top-down approach, identifies the most critical areas that require immediate attention on the part of management. The assessment is being conducted by a team comprising the enterprise risk management functional expert of the Department of Management and an external consultant. The team is also contemplating obtaining feedback from an advisory committee to be composed of representatives of various departments and offices of the Organization. The committee will provide guidance and advice.

276. **In paragraph 143 of its report, the Board also recommended that the Administration support the development of the Office of Internal Oversight Services as a central expert resource to support and work with departments to assess, analyse and act upon all significant fraud risks.**

Departments responsible:	Executive Office of the Secretary-General, Department of Management and Office of Internal Oversight Services
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2018

277. The Administration is of the view that this recommendation falls mainly under the purview of OIOS, and is willing to cooperate with OIOS in that context. In its report, the Board noted an important role for OIOS to play in fraud-related matters in the Organization. In paragraph 139 of the report, it stated, "Assessing the risk of fraud is fundamentally the responsibility of management ... The Office of Internal Oversight Services has a responsibility to assess the potential for fraud and other violations across the Organization and recommend corrective action to minimize the future risk of such violations. However, until recently it has adopted a reactive approach to this role, responding only to reports of fraud".

278. The Department of Management, the Department of Field Support and the Executive Office of the Secretary-General are prepared to work closely with OIOS in this regard.

279. In September 2016, the Board reiterated its recommendation, considering it not to have been implemented. Subsequently, in April 2017, the Department of Management and the Executive Office of the Secretary-General reiterated that the Administration concurred with the Board's recommendation and stood ready to work with OIOS in its implementation, noting that section 7.2 (d) of the Secretary-General's bulletin on the organization of OIOS (ST/SGB/2002/7) specified that this was a core function of the Investigations Division, describing it as follows: "Assessing the potential within programme areas for fraud and other violations through the analysis of systems of control in high-risk operations, as well as offices away from Headquarters, and making recommendations for corrective action to minimize the risk of commission of such violations".

280. **In paragraph 147 of its report, the Board recommended that the Administration review and rationalize the current suite of policy and guidance material on fraud and other misconduct to provide staff and others with clarity over the correct procedures to follow when a fraud was discovered.**

Departments responsible:	Department of Management and Ethics Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

281. The Administration considers that the Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat, which was promulgated in September 2016, provides comprehensive information and guidance for United Nations staff, other categories of personnel and entities that have a contractual relationship with the Secretariat on how to prevent, recognize and address fraudulent acts. The Administration considers this recommendation to have been fully implemented and requests its closure by the Board.

282. **In paragraph 148 of its report, the Board also recommended that the Administration establish a central intake mechanism for all reporting of staff grievances and suspected fraud, allowing the cases to be properly screened and assessed and sent to the right part of the Organization for action, and facilitating improved data collection.**

Department responsible:	Office of Internal Oversight Services
Status:	In progress
Priority:	Medium
Target date:	Ongoing

283. OIOS noted that it was not solely responsible for the establishment of a central intake mechanism for use in receiving, screening, assessing, reporting and following up on all action taken in response to allegations of misconduct within the Secretariat. OIOS acknowledges that it has effectively become the central intake mechanism for matters related to fraud and sexual exploitation and abuse. However, it is not the central intake mechanism for other types of investigations, such as those related to matters involving prohibited conduct, as defined in the Secretary-General's bulletin on prohibition of discrimination, harassment, including sexual harassment, and abuse of authority (ST/SGB/2008/5), and the lower-risk cases

classified as "category II", as defined by OIOS in its report on strengthening the investigation functions in the United Nations (see A/58/708, para. 27).

284. In the opinion of the Administration, however, this is a responsibility of OIOS, being among the objectives that the Office was created to achieve. Several prior requests and mandates have been issued to OIOS on this matter at various levels:

(a) By the Management Committee on 22 March 2013;

(b) By the Board of Auditors in its report for the biennium ended 31 December 2013 (A/69/5 (Vol. I), chap. II);

(c) By the Independent Audit Advisory Committee in its report for the period from 1 August 2015 to 31 July 2016 (A/71/295);

(d) By the General Assembly in its resolutions 70/111 and 71/283.

285. **In paragraph 151 of its report, the Board recommended that the Administration develop a framework of actions and arrangements for the systematic legal pursuit of all proven cases of fraud.**

Department responsible:	Office of Legal Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

286. The Administration would like to reiterate to the Board that it is not in a position to go beyond the parameters and processes set forth by the General Assembly in its resolutions on the criminal accountability of United Nations officials and experts on mission. In accordance with those parameters and processes, the Office of Legal Affairs continues to refer credible allegations of criminal conduct, including fraud, to relevant Member States and to follow up with those Member States to determine what action, if any, has been taken.

287. **In paragraph 159 of its report, the Board recommended that the Administration develop an integrated strategic approach to tackling fraud, drawing on the many practical examples of good practice being adopted across the world and adapting these to the Organization's circumstances. The first step would be assessing and understanding the type and scale of fraud threats the United Nations was exposed to.**

Departments responsible:	Department of Management, Executive Office of the Secretary-General and Office of Legal Affairs
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

288. The Administration is in the process of conducting a comprehensive fraud risk assessment in order to be able to develop an integrated strategic approach to tackling fraud, drawing on good practices within and outside the United Nations system. Only after the finalization of the ongoing assessment will the Administration be able to proceed with the full implementation of this recommendation.

289. **In paragraph 164 of its report, the Board recommended that the Administration develop a medium- to long-term strategic workforce strategy and operational workforce plans. These should be informed by a review of the Organization's strategy that identified any gaps in headcount, grades, knowledge and skills.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

290. See the Administration's comments above relating to the recommendation contained in paragraph 74 of the Board's report for the year ended 31 December 2014 (A/70/5 (Vol. I), chap. II). To avoid redundancy, the Board is requested to close this recommendation.

291. **In paragraph 169 of its report, the Board recommended that the Administration establish performance measures of the effectiveness of the recruitment process around getting "the right person, with the right skills, to the right position, at the right time and at the right cost".**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

292. The Administration's comments are reflected in annex I to the Board's report for the year ended 31 December 2016. The Administration will continue to work with the Board to further address this recommendation.

293. **In paragraph 170 of its report, the Board also recommended that the Administration perform an end-to-end review of the recruitment process to identify opportunities to reduce the lead time to recruit from the point at which a vacancy occurred until the post was filled.**

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

294. The Administration's comments are reflected in annex I to the Board's report for the year ended 31 December 2016. The Administration will continue to work with the Board to further address this recommendation.

295. **In paragraph 177 of its report, the Board recommended that the Administration develop a skills strategy for staff based on an improved understanding of current capability and existing skills gaps such as commercial skills for major projects, and on the skills required following the implementation of IPSAS and the roll-out of Umoja, such as professional training in financial management skills to lead financial management**

improvement and provide more strategic advisory services to the wider business.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2018

296. Using a desktop review methodology, the Office of Human Resources Management is conducting a learning needs assessment on the basis of the following documents in order to provide multiple data points for learning needs in the Organization:

(a) Audit recommendations in relation to staff learning;

(b) Learning needs data compiled over the past two years, from all Secretariat entities;

(c) Operation reports and end-of-mission reviews;

(d) Client surveys;

(e) Upgrading of substantive skills submissions from all Secretariat entities.

297. The data are being analysed to show cross-cutting trends in learning needs that will move the learning strategy forward.

Report of the Board for the biennium ended 31 December 2011[1]

298. **In paragraph 130 of its report, the Administration agreed with the Board's recommendation that the Department of Management review the delegations granted to the United Nations Office at Vienna and the United Nations Office at Geneva, to ensure that delegated procurement authority was sufficiently clear.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

299. See the Administration's comments above relating to the recommendations contained in paragraphs 222 and 223 of the Board's report for the year ended 31 December 2016. To avoid redundancy, the Board is requested to close this recommendation.

300. **In paragraph 145 of its report, the Administration agreed with the Board's recommendation that it: (a) develop more outcome-focused objectives and indicators of achievement; (b) establish clear chains from indicators of resource use and activity, through indicators of output to achievement of high-level objectives; and (c) make subparagraphs (a) and (b) above a clearly articulated responsibility of the Under-Secretaries-General for their respective departments.**

[1] A/67/5 (Vol. I) and Corr.1, chap. II.

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

301. See the report of the Committee for Programme and Coordination on its fifty-sixth session (A/71/16), in which the proposed revisions were made, as well as the Secretary-General's proposals contained in the proposed strategic framework for the period 2018-2019 (see A/71/6). The improvements made to the strategic frameworks for the biennium 2018-2019 to make them more impact-oriented were extended to all 28 programmes. The Administration considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the biennium ended 31 December 2009[6]

302. **In paragraph 160 of its report, the Administration agreed with the Board's recommendation that it strengthen internal controls to ensure the accuracy of its payable and receivable balances with counterpart entities as at the end of the financial period.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2018

303. Monthly dashboards indicating the status of account balances, including accounts payable balances, are available for monitoring by the user community. Analysis of open items is available in Umoja, and the dashboard provides additional information on aged items or items for further follow-up. The monthly dashboards will be shared with the Board to enable the closure of this recommendation.

304. **In paragraph 457 of its report, the Administration agreed with the Board's recommendation that it take appropriate measures to ensure that the "Carbon" project was interfaced with Umoja.**

Departments responsible:	Department for General Assembly and Conference Management and Department of Management
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2018

305. The Department for General Assembly and Conference Management is awaiting the outcome of the assessment being carried out by the Umoja team. Depending on that outcome, a determination will be made on the recommended interface between the "Carbon" project and Umoja.

[6] A/65/5 (Vol. I), chap. II.

III. Capital master plan

A. Implementation of the recommendations contained in the report of the Board of Auditors on the capital master plan for the year ended 31 December 2016

306. Set out below is the information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors on the capital master plan for the year ended 31 December 2016 (A/72/5 (Vol. V)).

307. Table 5 summarizes the status of implementation of all new recommendations of the Board as of August 2017.

Table 5
Status of implementation of all recommendations

Department responsible	*No. of recommendations*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Management	6	–	6	6	–
Total	**6**	**–**	**6**	**6**	**–**
Percentage	**100**	**–**	**100**		

308. As indicated in table 5, all six of the recommendations made by the Board are in progress, of which two are scheduled for implementation by the end of 2017, three by the end of 2018 and one by the end of 2020.

Detailed information on implementation status

309. **In paragraph 62 of its report, the Board recommended that the Administration make efforts to operationalize the Umoja plant maintenance module to enable an early review of its maintenance practices. This would enable the Administration to prepare a long-term maintenance plan covering any gaps in its maintenance efforts.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

310. The Administration's comments are reflected in paragraph 63 of the Board's report.

311. **In paragraph 69 of its report, the Board recommended that the Administration take steps to strengthen the internal control for protection of assets, and for their proper recording and monitoring.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Fourth quarter of 2017

312. The Administration's comments are reflected in paragraphs 70 and 71 of the Board's report.

313. **In paragraph 78 of its report, the Board recommended that the Administration resolve issues associated with the Energy Dashboard and Reporting Tool as related to recording and reporting on usage of steam, gas and water to enable real-time monitoring of all utilities.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Fourth quarter of 2018

314. The Administration is working with the system vendors to determine cost-effective options for resolving the issues noted by the Board.

315. **In paragraph 79 of its report, the Board also recommended that the Administration carry out a feasibility analysis on the parameters set in the consultant's report of April 2015 to identify areas for improving energy efficiency, after taking into consideration the enhanced flexibility offered by the implementation of the capital master plan.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Fourth quarter of 2018

316. The Administration is exploring cost-effective approaches to making further improvements in energy efficiency.

317. **In paragraph 83 of its report, the Board recommended that the Administration conduct a user survey on the effectiveness of the accessibility features in order to identify gaps, if any, in the infrastructure created as part of the capital master plan.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Fourth quarter of 2017

318. The Administration made a proposal to the United Nations Interdepartmental Task Force on Accessibility for the development of a website to enable all users at

Headquarters to provide feedback on their accessibility experiences. The Facilities Management Service of the Office of Central Support Services is chairing a working group that is developing the feedback website.

319. **In paragraph 95 of its report, the Board recommended that the Administration regularly monitor productivity gains while ensuring reduction in space requirements.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2020

320. The Administration will continue to monitor the impact on productivity of the flexible workplace project, which is currently scheduled to be completed in 2020, throughout the implementation of the project. The final implementation schedule of the project will depend on approval by the General Assembly.

B. Implementation of the recommendations contained in the reports of the Board of Auditors on the capital master plan for prior financial periods

Overview

321. The overall status of implementation, as of December 2016, of the recommendations contained in the Board's reports on the capital master plan for four prior periods is shown in table 6.

Table 6
Overall status of implementation of the recommendations of the Board of Auditors on the capital master plan from prior periods, as of December 2016

Year report symbol	*Fully implemented*	*In progress*	*Closed by the Board overtaken by events*	*Total*
2012/A/68/5 (Vol. V)	4	2	3	9
2013/A/69/5 (Vol. V)	1	2	1	4
2014/A/70/5 (Vol. V)	1	3	1	5
2015/A/71/5 (Vol. V)	2	3		5
Total	**8**	**10**	**5**	**23**
Percentage	**35**	**43**	**22**	**100**

322. In annex I to its report for the year ended 31 December 2016 (A/72/5 (Vol. V)), the Board provided a summary of the status of implementation, as of December 2016, of its 12 extant recommendations relating to prior periods. Of those 12 recommendations, 2 (17 per cent) had been fully implemented and 10 (83 per cent) were under implementation. Information is provided below on the 10 recommendations that were under implementation.

323. Table 7 summarizes the overall situation as of August 2017.

Table 7

Status of implementation of recommendations from prior periods considered not fully implemented in annex I to the report of the Board of Auditors on the capital master plan for the year ended 31 December 2016

Department responsible	*No. of recommendations*	*Implemented/ closure requested*	*In progress*	*Target date set*	*No target date*
Department of Management	10	1	9	9	–
Total	**10**	**1**	**9**	**9**	–
Percentage	**100**	**10**	**90**		

324. As shown in table 7, of the 10 recommendations considered not to have been fully implemented by the Board, the closure of 1 had been requested and the other 9 were in progress as of August 2017. Of the nine that were in progress, six were scheduled for implementation by the end of 2017, two by the end of 2018 and one by the end of 2020.

Detailed information on implementation status

Report of the Board for the year ended 31 December 2012[7]

325. **In paragraph 77 of its report, the Board recommended that the Administration adopt a whole life-cycle asset investment strategy and assess costed options for the through-life maintenance of the Headquarters buildings.**

Department responsible: Department of Management

Status: In progress

Priority: High

Target date: Fourth quarter of 2017

326. Following the issuance of the report of the Secretary-General on the strategic capital review (A/70/697), the General Assembly, in its resolution 70/248 B, requested that more detailed information on the potential costs and benefits of a life-cycle replacement approach be presented in future reports of the Secretary-General. The Administration will submit its next report to the Assembly at its seventy-second session.

327. **In paragraph 82 of its report, the Board recommended that the Office of Central Support Services review its ongoing maintenance contracts, based on an assessment of the total scope of facilities management requirements after completion of the capital master plan, and assess the possibilities for obtaining better value from any future strategic commercial relationship.**

Department responsible: Department of Management

Status: In progress

Priority: Medium

Target date: Fourth quarter of 2017

[7] A/68/5 (Vol. V).

328. See the Administration's comments below relating to the recommendation contained in paragraph 17 (d) of the summary of the Board's report for the year ended 31 December 2015 (A/71/5 (Vol. V)).

Report of the Board for the year ended 31 December 2013[8]

329. **In paragraph 46 of its report, the Board recommended that the Administration apply independent project assurance to all major projects. There was no established approach to providing independent project assurance in the United Nations.**

Department responsible:	Department of Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

330. The area of independent assurance is addressed in the construction project guidelines promulgated by the Office of Central Support Services and will be taken into account in the governance structures of all future major capital projects presented for the consideration and decision of the General Assembly. The Office also provides oversight (with emphasis on risk management) and establishes a governance structure tailored for each major renovation and new construction capital project. The Administration considers this recommendation to have been implemented and requests its closure by the Board.

331. **In paragraph 60 of its report, the Board recommended that the Administration commit to visible senior management leadership on the flexible workspace project. Experience suggested that, like all change initiatives that had an impact on the day-to-day working environment, senior management leading by example would be vital in gaining staff buy-in and securing the intended benefits.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	First quarter of 2018

332. Through meetings and presentations, the flexible workplace project team has engaged in productive discussions with heads of departments on the way forward with the implementation of the project.

Report of the Board for the year ended 31 December 2014[9]

333. **In paragraph 17 (b) of the summary of its report, the Board recommended that the Administration manage the capital master plan to successful completion by managing and reporting that the project's outcomes had been delivered, including financial and non-financial benefits expected and achieved from the investment in the capital master plan.**

[8] A/69/5 (Vol. V).
[9] A/70/5 (Vol. V).

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

334. The Administration has been reporting to the General Assembly on efficiency gains and will provide further details in the fifteenth annual progress report on the capital master plan.

335. **In paragraph 17 (c) of the summary of its report, the Board recommended that the Administration manage the capital master plan to successful completion by accelerating closure of the remaining capital master plan contracts to increase certainty regarding final project costs and to release any potential savings.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

336. The Administration is committed to ensuring closure of the remaining contracts on schedule and within budget. If any uncommitted balances remain after the closure of all contracts, they will be returned to the Member States.

337. **In paragraph 17 (d) of the summary of its report, the Board recommended that the Administration manage the capital master plan to successful completion by reporting the full amount of any savings arising from contract closure and introducing appropriate governance mechanisms to determine the use that could be made of such savings, including specific consideration of returning savings to Member States.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

338. Information on savings arising from the cancellation of prior-year obligations and their utilization is provided on a routine basis and will be included in the fifteenth annual progress report on the capital master plan. Savings can be realized only after all the work and related operations have been fully completed, the contracts have been closed and all accounts have been fully reconciled. If any uncommitted balances remain after the closure of all contracts, they will be returned to the Member States.

Report of the Board for the year ended 31 December 2015[10]

339. **In paragraph 17 (c) of the summary of its report, the Board recommended that the Administration focus on realizing the full potential benefits from the investment made in the capital master plan and ensure that optimal use was made of the new modern working environment to reduce the use of costly rented accommodation.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2020

340. The Administration acknowledges the potential benefits of the investment made in the capital master plan and is working to optimize the utilization of the renovated buildings through the implementation of a flexible workplace at United Nations Headquarters.

341. **In paragraph 17 (d) of the summary of its report, the Board recommended that the Administration perform a detailed analysis of operational data and building malfunctions to help it develop a strong business case for submission to the General Assembly in support of its proposed annual and longer-term maintenance budgets.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2018

342. The Administration is planning to undertake a detailed assessment of its maintenance approach in support of annual and longer-term maintenance budgets. To that end, the Administration has been gathering comprehensive operational data in the plant maintenance module of Umoja. It is envisaged that the assessment will be carried out in 2018.

343. **In paragraph 17 (e) of the summary of its report, the Board recommended that the Administration present a preliminary analysis of utilities data following the closure of the North Lawn Building to the General Assembly during the main part of its seventy-first session and a full year of data, ready for audit, during the resumed part of the session.**

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2017

[10] A/71/5 (Vol. V).

344. The Administration included the preliminary data on utilities in the fourteenth annual progress report on the capital master plan and will provide further details on utilities in the fifteenth annual progress report.